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Geneva Conference on Yugoslavia Extended

LD1705172494 Belgrade TANJUG in English 1617 GMT 17 May 94

["Pool" item]

[Text] Belgrade, May 17 (TANJUG)—The international conference on the former Yugoslavia, set up in London 21 months ago, will be extended by another six months. The work on restoring peace in the former Yugoslav Republic of Bosnia-Herzegovina would be resumed in Geneva, despite the fact that the conference was sidelined this spring, REUTERS quotes diplomatic sources in Geneva as saying.

Relevant international bodies have also agreed on allowing a budget for the future work of the conference, [words indistinct] Russian and especially U.S. initiatives for strengthening the Bosnian peace process, have contributed to the sidelining of the Geneva conference.

The United States, determined to show the Europeans it had more efficacious solutions for Bosnia, took over the initiative in February. Shortly earlier, in January, the European Union (E.U.) plan collapsed because of the U.S.-sponsored Bosnian Moslem rejection. Namely, Bosnian Moslem leader Alija Izetbegovic took a hostile stand towards the plan, relying on undoubted support by the U.S. Administration. The E.U. peace plan, the adoption of which was within reach in January, was thus completely neglected and international mediators Lord Owen and Thorvald Stoltenberg were nearly eliminated from the talks.

Despite various efforts made in the meantime—including direct negotiations between Bosnian Moslems and Croats, who have signed a federation agreement, and open threats and air strikes—peace in Bosnia was more and more distant.

Everything has returned to Geneva where seven ministers of the "great troika" (the United States, Russia, the E.U.) on Friday reached accord to resume seeking a political solution under the E.U. plan, thus taking everything back to where it was in January. The latest Geneva initiative, which could also be called "a plan of united action," represents a new proposal primarily because Washington and Moscow are backing the E.U. concept.

The latest evidence that everthing is going back to the Geneva conference, i.e. the E.U. plan, is seen in the current diplomatic mission of Owen and Stoltenberg, who arrived in Belgrade on Tuesday to confer with President of the Yugoslav Republic of Serbia Slobodan Milosevic.

The Yugoslav Government's commission for monitoring the international conference on the former Yugoslavia on Tuesday requested that the Yugoslav delegation should be treated on an equal footing at the conference, especially within the group for economic issues and the group for succession, which implies that U.N. sanctions against Yugoslavia (Serbia/Montenegro) should be lifted.

The insistence on the lifting of the sanctions is even more justified by the fact that Yugoslavia was requested by Geneva to submit a report on the application of market economy which is hard to realize under the sanctions, the Yugoslav Government's commission said at its session.

Berisha Views Possibility of Balkan War

AU1705143694 Split SLOBODNA DALMACIJA in Serbo-Croatian 7 May 94 pp 6-7

[Interview with Albanian President Sali Berisha by Branimir Baron Brljevic; place and date not given: "'The Insane Serbian Generals Have Been Staging a Conflict Between the U.S. and Russian Armies in the Balkans!'"]

[Text] Albanian President Dr. Sali Berisha is an integral figure in the democratic changes in the most backward European country, in whose towns the water and electricity supplies last only a few hours a day, but where there are almost no large buildings on which there are not at least several satellite antennas. The man who woke this sleeping beauty and led it, at a hardly bearable speed, away from its Middle Ages is an internationally renowned cardiologist who was for many years the personal physician to the ill-reputed dictator Enver Hoxha.

I found him angry with the latest announcement of the Greek Government, which stated that Albania had not declared the Orthodox Easter a national religious holiday. President Berisha explained that it was with the intention of dispelling any doubts about a religion being discriminated against that he personally attended the central Easter celebrations, along with the patriarch of the autocephalous Albanian Orthodox Church, Anastos Janullatos, who is of Greek nationality. I let him talk about the incomprehensible behavior of the once friendly southern Greek neighbor, about the recent murder of two Albanian border patrolmen, and about hundreds of thousands of Albanian workers being expelled from Greece because of the alleged denial of minority rights to the Greeks in Albania. He gave me only a short smile after I told him that all his country needed after the programmed destruction of public institutions, factories, and schools that was conducted by the old regime just before the first free elections, were neighbors competing at being hostile. President Berisha is impressively modest: He is still living in a two-room apartment with his wife and two children.

Chief Support—the West

[Brljevic] You recently received General Robert Oaks, the U.S. Air Force commander. What did you discuss?

[Berisha] We discussed the preparations and military cooperation in case the war in the Balkans escalates soon and spreads toward the south. Mr. Oaks said he that agreed the spreading of the conflict to Kosovo was possible and probable.

[Brljevic] Albania used to rely on the West. Are you not afraid it will betray you again?

[Berisha] We have received firm guarantees that this will not happen. We have had enough time to prepare the defense of the country. It was obvious that if no one was decisive enough to stop Milosevic, who now needs the war in order to survive, then there would be a great war on the entire Balkans. I cannot tell you state secrets, but you can believe that the West will not leave us in the lurch!

[Brljevic] Have you not found the fate of the protected areas in Bosnia instructive enough?

[Berisha] We should wait. The Serbs have been given ultimatums in both Sarajevo and in Gorazde. It is very important to avoid rash moves that some of the insane bloodthirsty Serb generals are counting on to provoke confrontation of the U.S. and Russian forces and thus definitely make it into the history books.

[Brljevic] Was the recent murder of the two Albanian border patrolmen programmed in the same context, to make the tense situation in this part of the world even worse?

[Berisha] After the Serbian aggressor, the one who had encouraged it appeared. The whole of Greece is in a nationalist fever. The people of the Balkans have always been easy to get out in the streets, but the price could be very high this time. At a time when it is crucial that passions subside and possible conflicts and escalations be prevented, the Greeks are doing just the opposite. They have expelled hundreds of thousands of our workers. It is true that many of them who are there are not registered, and we are grateful that they are helping us overcome our difficulties that way too, but it is completely unacceptable to use that fact as a factor of political pressure on our country. I want us to improve our relations, to solve the issue of refugees, economic emigrants, and members of the Greek minority in a humane way. I particularly want their human and ethnic rights to be protected, but it is all in vain, because the Greek authorities manipulate their minority and at one moment they will accept our workers, while at the next they expel them in a very uncivilized way. The latest incident has forced us to put the responsibility on the Greek Government because the commandos arrived from their territory and returned there. We have demanded that they be identified.

Chauvinists in Athens

[Brljevic] How did they reply?

[Berisha] That it was a contradiction. Allegedly we, at the same time, accused them of a crime, and asked them to identify terrorists. For heaven's sake, each government is responsible for the crime that the terrorists who arrive from its territory and return to it commit. We did not say they committed it; we are only asking them to identify the perpetrators. Although they have denied it, we cannot rule out the possibility that they organized it. The Greek Government did not condescend to show signs of regret or express condolences even several days after the crime. If it had not been for the international public, they would not have even issued the announcement on the contradiction. We are aware that there are many people in Greece who would like relations to be strained, but we do not wish to contribute to that.

[Brljevic] Is that possible? One can see from the example of Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] that it will be difficult.

[Berisha] Greek politics seems to be one big outrage. The first such outrage was the underhand alliance with Serbia. Moreover, a very hostile policy is being conducted toward the European Union, of which Greece is a member and which it will continue to preside over for a while. Regardless of that, they keep saying that Europe is against Greece, although Greece is the nursery of civilization. At the same time, Greece is probably the only country in the world in which the church has not been separated from the state.

[Brljevic] How autocephalous is the Albanian Orthodox church, considering the fact that one fourth of the Albanians are Orthodox?

[Berisha] We insist that the Albanian Orthodox be autocephalous. We did not oppose the Patriarchate of Constantinople appointing Janullatos, a Greek, as patriarch, because we do not want to meddle in the affairs of any religion. The Greek authorities have recently demanded that I appoint Greek ministers in the southern Albanian provinces, but I answered that I had no intention of doing so. Namely, the church has a hierarchy that has to be respected. I told them I was very surprised by this demand of a government that is supposed to be a democratic one.

[Brljevic] Did you communicate with the Greek authorities directly?

[Berisha] During our first meeting, I asked them openly about the so-called chauvinist circles. They said that they could not do anything about it, that each country has its own chauvinist circles. I told them that it was not right that everyone should think the same and that I should see them all in the same chauvinist circle.

[Brljevic] Do you think that this nationalism is uncontrolled or that it is a product of a clever manipulation of national feelings, an exponent of foreign, Serb, interests, and, through them, Russian ones?

[Berisha] Greece is sailing, and constantly swaying, between the East and the West, between these two tendencies. They are dreaming about a Great Hellas with the Aegean capital at Constantinople. They have got into the same nationalist fever as the Serbs. I thought that both have paid a high enough price for their blind nationalisms once in this century, but I was wrong. Just look at the present-day Greece, talking about itself as the nursery of civilization. It is to a much greater extent Byzantine than it complies with the principles of modern civilization. They, like their Orthodox brothers Serbs, are much better at practicing Byzantine deviousness.

The Fear and Lies of the East

[Brljevic] The Koran has been printed in Egypt in the Albanian language. The introduction says that after the fall of Communism a new plague, Christianity, hangs over Albania. Do you not have the impression that nobody will leave you alone?

[Berisha] I agree with you. We are trying to act in accordance with the principles of tolerance among the members of all the three religions that have always been strong on the Albanian territories. This is the reason this Koran, printed in Egypt, has been the only book to be banned since I became president. Perhaps it would be better to tear out the page, but we decided to ban it by way of warning all those who could attempt to do something similar. At any rate, the above-mentioned sentence printed in the Koran opposes its teaching, which does not allow favoring any religion.

[Brljevic] Is the impression that, despite your pro-Western orientation, the Islamic countries have been investing more in Albania, wrong?

[Berisha] Only partly. Europe is post-communist. After the Iron Curtain came down, the duality on the continent was revealed. The closeness of the Yugoslav conflict has also been harmful to our economic development. Many Westerners have promised to invest their capital once the war is over, and as long as it seems that a great war is looming over the Balkans, there is no chance of a stronger breakthrough of foreign capital. Although we have opened our foreign policies toward the world completely, they are still reserved about us because we used to be so isolated. The greatest progress we have achieved is with Italy, and we expect significant U.S. aid and the aid of other, not only military, but also economic superpowers. Croatia is surely one of our desired partners. The neighboring Macedonia could also find a solution for the relations with the Albanian ethnic community and become an even more important economic partner for us.

[Brljevic] The people in all the post-communist countries trust the United States more than Europe. Since this is also the case with your country, how do you explain it?

[Berisha] All the newly-founded countries consider the United States to be the main pillar of Western civilization. The pro-U.S. atmosphere in Albania, including my own disposition, does not in any way collide with the pro-European orientation. In recent history, Europe would get involved in wars as soon as the United States would take a distance, as soon as it would stop functioning as the pillar of Western civilization. The Westerners and Easterners have different fates, different souls. One should always bear in mind that the Easterners lived under dictatorships, which, together, made up an empire founded on fear and lies. The people in this empire aspired toward truth, the only light in their darkness. That is why truth is their weak spot. Europe faced the fall of the Iron Curtain unprepared. The entire West is now faced with the crisis of civilization, the main expression of which is the war in Bosnia. It clearly shows that the entire civilization, the modern world, suffers from collective amnesia. Double standards are used

everywhere. We are all responsible for the evil that is happening before our eyes, primarily Europe, in which the public opinion has never been more tolerant of the horrors that are happening in it, as they are now tolerant of the Bosnian horrors.

No one can deny us the right to self-defense, as has been done with the Muslims in Bosnia after the entire world had found itself surprised with the Serb aggression. If the democratic world order does not wake up in Bosnia, it could easily be murdered in its selfish sleep. I have said this to every Western politician I have had the chance to talk to.

[Brljevic] The West is still trying to make the Serbs come to their senses through negotiations. In your opinion, how long can this "Brusseling" and "Genevesing" last?

[Berisha] The international community must eventually take specific measures, as sanctions, threats, and ultimatums are not enough. Serbia, encouraged by the world's reluctance, can now only understand the language of force, the speech of weapons. It is still not too late for a military intervention. The Serbs must pay for what they have done, they must bear the consequences.

[Brljevic] Mr. Berisha, does the fact that they have only been rewarded by the international community, which has agreed to all the new conquests, not discourage you?

[Berisha] Double standards can be applied to almost everything in this war. Plans, peace negotiations, and Security Council resolutions are hardly more than alibis for passivity. However, it is high time the world realized that any further hesitation will lead to a great war on the Balkans. It is not difficult to foresee what can follow.

[Brljevic] The Serbian repression in Kosovo is becoming more intense by the day. Is that not a case of "ethnic cleansing" without war?

[Berisha] Ethnic cleansing has been present in Kosovo for a long time. The Serbian president has been trying to provoke a war against the unarmed people in every possible way. Perhaps the Greeks are provoking us with the same motives.

Dialogue With Skopje

[Brljevic] What will you do if war breaks out in Kosovo?

[Berisha] We will not hesitate to help our brothers, you can rely on that.

[Brljevic] Will Albania in that case declare war on Serbia alone?

[Berisha] If there is a massacre in Kosovo, I am sure that a NATO military intervention will be inevitable. The picture of hundreds of thousands of people of Kosovo, our brothers, fleeing to Macedonia before a massacre, means the explosion of Macedonia. The next picture is giving a hand to the Albanian brothers by Albania and Macedonia—a new Balkan war.

[Brljevic] How have your relations with Macedonian president Gligorov been since the Albanian minority was accused of conspiracy and an attempt at creating Illyria?

[Berisha] Our overall relations are good, and we are interested in the stability of Macedonia. There have been some Byzantine tricks; the ones we remember especially well are the ones organized three years ago.

[Brljevic] Albania has offered Macedonia access to the sea, is that right?

[Berisha] We are glad we can help them. President Gligorov has been trying to solve the difficulties in his country, torn between Serbia and Greece, and sometimes he is suprisingly good at it. Our joint interest is to create the atmosphere of integration in the entire region, which has been falling apart at the seams. The greatest enemy of the Balkans is after all its allegedly greatest stability factor, the so-called Yugoslav National Army. Its monstrous potential must be destroyed. The United States has drawn the red line at Kosovo. President Bush did it first, and President Clinton underlined it. Milosevic's Serbia would be a factor of permanent instability on the Balkans, a fact which has been taken very seriously in the United States. Ten percent of the territory cannot dominate the entire region.

[Brljevic] What are the indications of Milosevic's alleged intention to spread the war on Kosovo?

[Berisha] Although he is pretending he would like peace, Milosevic needs the war to stay in power. He has been promising the Serbs peace for a long time, but the war is going on, and it has become a way of life, a hypostatized Serb mentality. When the Bosnian Serbs achieve their aims, which is evidently only a question of time, Milosevic will need another conflict. While the United Nations is protecting the occupied parts of Croatia, they are cementing what has been conquered, and the danger of the war spreading to the south after all is therefore much greater.

[Brljevic] Meanwhile, Albania and Macedonia are competing to acquire prophylaxis against Serb fascism, buying peace from Serbia with oil?

[Berisha] These are only rumors. We are abiding strictly by the embargo, since to support Serbia in its sick intentions in this dirty war would be very stupid, dishonorable, and dangerous.

The Recognized Borders

[Brljevic] Is the number of Albanian soldiers a secret? What weapons do you have?

[Berisha] We have 35,000 soldiers. The outmoded Russian and Chinese weapons have been preserved well; many Western experts were surprised by how well preserved they are. Naturally, we need new military technology, especially modern anti-aircraft defense. We have warships, air forces, and heavy weapons. The air forces are outmoded, but there is quite a lot of equipment. We

would like to reach European military standards. We have reduced the term of compulsory military service. In agreement with NATO we have carried out reforms in the army, which their experts say are the most radical of all the reforms in the former Communist countries. We have conducted an integral reconstruction of our command staff in all the army corps. We have democratized all the structures, which has significantly changed the mentality of our officers. We have sent all those above 48 years of age into retirement. However, it is not a secret that in case there is a war we will be counting on NATO and the United States. Albania has already joined the preparations for the event a military intervention takes place earlier.

[Brljevic] Could a possible intervention against Serbia solve the problem of Kosovo?

[Berisha] No one can deny the Albanians of Kosovo the right to self-determination. Serbia has violated the Yugoslav constitution by denying Kosovo its autonomy, which is where everything started. Up until then Kosovo was a constituent element of the federation, two presidents of which were from Kosovo. A military intervention would not solve the entire problem, but it would certainly start the process of seeking a democratic solution.

[Brljevic] Does that imply a Greater Albania?

[Berisha] There will be no changing of borders by force! We have recognized the borders of the former Yugoslav republics, and all we are asking is some democratic space for the members of our nation, wherever they may be. We insist on the right of a nation to make its own decisions about its future. In a democratic atmosphere there is no need to "raise" borders.

Delay in Issue of ID Cards Deplored

94P20766A Tirana REPUBLIKA in Albanian 7 Apr 94 p 1

[Article by Alban Bala: "When Will They Be Giving Out Identification Cards?"]

[Text] Currently three-quarters of the people in Albania do not have any personal identification cards. Letters of certification have been distributed, but is this sufficient?

Since 1981 no identification cards have been prepared by the Albanian Government, which, prior to 1990, had used the funds set up for this purpose in the Ministry of Public Order. For almost four years citizens have had only letters of certification of their citizenship because there has been no government decision or, more importantly, there have been no funds. This has created anomalies and possibilities for abuse and falsifications, presenting no small danger for the country. It is said that falsified letters of certification are being sold in Greece, thereby making it possible for Albanians to change their names. In addition to international passports, a number of foreign countries also require ordinary identification cards, a requirement which—since it is transformed into a "necessity"—becomes a source of illegal business and profit in the respective areas.

"We have made several appeals to the government," Abdyl Xhaja, director of the Office of Vital Statistics, says, "but it is clear that there are no funds." The problem becomes more complex when you consider that one-third of Albanians work outside the country and that this reform, if it is carried out, requires uniformity in development. Another possibility is that the government might apply a system like the one in use in many European countries—an ordinary identification card, which is also currently in effect in Macedonia. But in Tirana people have not been able to get identification cards since June 1990. We have to think as soon as possible, not only about recognizing the rights of Albanians in this situation but also about eliminating opportunities for chauvinistic moves on the human level for banal economic reasons.

Former DPS Official Predicts Election Defeat

AU1805114494 Sofia 24 CHASA in Bulgarian 13 May 94 p 12

[Interview with National Assembly member Mehmed Hodzha by Miroslava Badzheva; place and date not given: "Mehmed Hodzha: The Movement for Rights and Freedoms Will Get No More Than 1.5 Percent in Elections"]

[Excerpts] [Badzheva] Mr. Hodzha, now that you have been expelled from the Movement for Rights and Freedoms [DPS], will you form an alternative to the movement?

[Hodzha] We left the DPS parliamentary faction with the clear understanding that the DPS cannot survive with this leadership. Therefore, we demanded an extraordinary conference. Indeed, not only we demanded such a conference, but also the representatives of local branches in various regions. However, obviously this will not happen. I am convinced that there will be no new national conference. This means that we are left with the second variant—to offer our former and potential voters something different than the present DPS. Both in the DPS parliamentary faction and Central Council there are honest people, but this in itself is not enough. An alternative must be proposed. I can tell you that this idea exists already several months. It has already matured, now we must only put it into effect. We will convene a new meeting to which we will naturally invite people from all regions in the country who adhere to positions similar to ours. We want to attract the dissatisfied people who reject the policy of the DPS leadership, and most of all, those who are dissatisfied with the cooperation with the Bulgarian Socialist Party [BSP]. All Europe, not only Bulgaria, understood that this cooperation is already a fact. This leadership is simply genetically committed to cooperating with the BSP. The same phenomenon will also exist in the next parliament.

[Badzheva] What will be your new party's name?

[Hodzha] This is not important. The basic principle around which we will rally, will be that this is an anticommunist party that is not based on an ethnic foundation. Many Bulgarians already demonstrate interest in the new party.

[Badzheva] Who are the people that will form the core of this formation?

[Hodzha] I will not divulge any names, everything is still within the framework of ideas. Let us wait a bit longer.

[Badzheva] When will you announce officially its establishment?

[Hodzha] In the next few weeks.

[Badzheva] When will you hold the planned meeting?

[Hodzha] Again, in the next few weeks.

[Badzheva] Is the Union of Democratic Forces [SDS] helping you in forming the "alternative DPS"?

[Hodzha] We do not need any helpers. We are sufficiently prudent and able people, and can manage alone.

[Badzheva] However, nevertheless, you plan to cooperate with the SDS?

[Hodzha] We would like to work together with the SDS, but this is not an unconditional desire.

[Badzheva] What conditions will you pose?

[Hodzha] The blue [SDS] coalition must share our intentions and ideas. We will stress the democratic principles, human rights, and resolving social and economic problems—all this that existed at the beginning, when we were together with the SDS.

[Badzheva] Would you participate in the next elections on the same ticket with the SDS?

[Hodzha] I cannot answer this question. Let the SDS assess whether it needs me or not. [passage omitted]

[Badzheva] What do you think, if elections were held now what percentage of the vote will the DPS get?

[Hodzha] No more than 1.5 percent. I think that this is the last participation in the parliamentary elections with this leadership.

[Badzheva] You claim that the new formation will not be based on an ethnic foundation. Will its program contain the demand on proclaiming the ethnic Turks in Bulgaria a national minority—a thesis you defended when you were still in the DPS?

[Hodzha] Personally, I support collective rights. Now the Council of Europe is preparing precisely such a document regarding the collective rights of the minorities. [passage omitted]

[Badzheva] Do you still claim that the higher DPS circles are corrupt?

[Hodzha] Since I am magnanimous, I will take cigarettes to some of the DPS leadership members when they are in prison.

[Badzheva] Will you support your claims with documents?

[Hodzha] Yes, when the time comes. [passage omitted]

Havel Condemns International Policy on Bosnia

AU1705190194 Prague LIDOVE NOVINY in Czech 14 May 94 p 7

[Interview with President Vaclav Havel by Igor Blazevic; place and date not given: "Indifference to Violence Makes Me Angry"]

[Text] Igor Blazevic is a Saralian journalist and, among other things, is last year's recipient of the Frantisek Kriegel Prize, which is awarded by the Charter 77 Foundation. His interview with President Vaclav Havel, recorded at the beginning of May 1994, is being prepared for the Saralian magazine B-H DANI. Igor Blazevic offered the Czech version of the transcript to LIDOVE NOVINY and the English version to the INDEX ON CENSORSHIP magazine.

[Blazevic] Mr. President, despite the political risk, you have many times expressed an opinion on the Bosnian issue. You have made repeated calls for a more resolute stance by the international community toward Bosnia. Can you tell us why?

[Havel] There are three basic reasons that I air my views on this issue. I am firmly convinced that, in today's so manifoldly interconnected world, it is necessary to strengthen and systematically expand the feeling of universal responsibility. The fact that we are all actually responsible for the whole world applies not only in the case of military conflicts but also in ecology and many other spheres. I feel somewhat that the existence of an attitude of global responsibility is lacking in world politics. That is a kind of politico-philosophical reason. There is another more specific reason: The Czech Republic has had its own rather unfortunate historical experience of democracy's diminished ability to commit itself on behalf of the values that are intrinsic to it and upon which it is based. We saw this most explicitly in Munich. After the Munich diktat, Chamberlain said that he did not see why English boys should risk their lives for a far away country of which they knew little. We know the repercussions. The hope that human lives would be saved and the view that it is necessary to sacrifice some values in the name of peace turned out to be a sheer illusion. The result was the exact opposite. No lives were saved. In the end, many more were sacrificed. We can see certain parallels today, when the reluctance of the international community to enter more decisively into the situation in Bosnia-Herzegovina and throughout the former Yugoslavia may again have suicidal consequences, especially for Europe. The integrating Europe is founded on the principle of civic coexistence, the coexistence of different peoples, cultures, and religions. If, within an area that is an impermeable element of Europe's political actuality, these very values are in a brutal fashion being denied, trampled upon, and flouted in the name of nationalism and the principle of ethnic purity, this presents a direct threat to the values upon which Europe itself is based and upon which it is becoming integrated. The issue here does not involve mere solidarity with the suffering. It involves solidarity with one another because the principles for a secure life are endangered by indecision. The other reason lies, perhaps, in my character. I am simply one who gets angry about indifference to violence and lawlessness.

If I sometimes air my views on this issue, I have to say that it is always accompanied by a certain shamefacedness that I am not one who can enter more forcibly into the situation and, even less so, one who will risk his life; it is accompanied by the shamefacedness that I am not the one making the decisions, but that this role falls to the international community—the North Atlantic Alliance, the European Union, and the United Nations. It is a little peculiar if the person giving the advice is not the one to bear the consequences of his decisions. Of course, if we envisage an international operation with the involvement of many states, it is possible to consider a form of participation by a Czech unit. Nevertheless, it is easier for a person not directly involved in decision-making to give advice on something than it is for the person who will bear the consequences of that decision to decide.

However, it is true that, despite these moments of indecision, for some time now I have been pointing out, during various occasions on international forums, that the issue in Bosnia involves more than a local squabble, that it indeed involves the elementary values upon which not only European integration is based but upon which coexistence among people on the planet should be based in the future. Given the constantly increasing number of people on the planet, conflicts between nations or communities that feel their differentness with regard to others present a major threat, and that very differentness is the reason for conflicts.

[Blazevic] You have criticized the Geneva talks. In a joint statement with Slovene President Kucan, you said that it is necessary for the international community to redefine its political aim in Bosnia. Do you think there is still a requirement and opportunity to change this aim?

[Havel] I was made uneasy by the course of the Geneva talks. This unease grew with the impression that various uncontrollable warriors were capturing all sorts of territory and drawing different maps and that the Geneva conference was accepting their drawings, adopting them, and supplying and looking for maps of ethnic division that would suit all of the warring sides. I consider this to be a typical example of surrendering the defense of the values that should be the issue here. It created the impression that Karadzic was, in fact, suggesting to the Geneva negotiators the agenda for the negotiations. Therefore, I was quite skeptical; I was aware of a certain hypocrisy.

It was as if the Geneva talks were held merely so it could not be said that nothing was being done. At the same time, they were based on the very logical and fundamental argument that the warring sides must sit down at the negotiating table and that it is necessary to agree

upon a truce and ultimately peace by peaceful means. Moreover, in fact, the negotiators acceded to something that should be intrinsically alien to the institutions at such negotiations. What I mean is that borders cannot be changed and states cannot be divided by force. In this case, it even involved an internationally recognized state.

At the same time, it is impossible to recognize a state within its existing borders and also conduct negotiations with uncontrollable armies on how it will be turned into several other states.

Nevertheless, it seems that, since then, the situation has moved forward a little. The concept of a Muslim-Croatian federation, which would enjoy a kind of confederal relationship with Croatia, is, it seems, accepted as a solution by the citizens. If it were possible to eventually involve the Serbs in Bosnia-Herzegovina in this federation as a recognized state and to restructure it on the federal principle—and I have grave doubts about this—this could be a way forward. We ourselves know what it is like to be two nations that sense their individuality and try to express it in a specific constitutional and legal manner. We tried to establish a just federation, which, as you know, did not succeed. So, we decided to separate by peaceful means. I understand that peoples here and there want to have their own state; I am not so lacking in understanding. There is a great deal of intermingling and affinity among the communities in Bosnia-Herzegovina. The network of coexistence here was so rich that division on the ethnic principle would never end. Each home, each family, and each village could draw a border. This is simply dragging things out ad absurdum.

[Blazevic] Following your meeting with Lord Owen, you said that your views were not entirely harmonious. I would rather say that your views are entirely unharmonious. For many Bosnians, Lord Owen has become the symbol of a hesitant and pragmatic policy without vision. On the other hand, you, Mr. President, have become the symbol of a politician who insists on values but seems a little like a dissident who can raise his voice repeatedly but cannot fundamentally influence the decisions on "major" policy. Would you comment on this?

[Havel] First of all, let me speak about Lord Owen. We indeed agreed that we have a somewhat different view. This does not mean that I do not respect him. This is a man who has good intentions and who has expended a great deal of energy. Nevertheless, I have very grave doubts about the road he is following.

When he was here, we had a very friendly conversation. He said that he was going to Belgrade, where he wanted to meet President Milosevic, Karadzic, and others and that he wanted to conduct another dialogue with them from which something could be expected. This reminded me a little of the illusion that it is possible to convince a nondemocrat of something by charm alone. This is what Munich and Lord Runciman remind us of. The latter also had good intentions and came here to see how he could reconcile us with Hitler.

This does not mean I am placing an equal sign between anyone and Hitler, of which, as I read, I am suspected of doing. I have even been suspected of being an enemy of the Serbian people. That is absolute nonsense. The very opposite is true: I disapprove of any kind of collective condemnation of nations, and I cannot be, from my very marrow, an enemy of any nation. I am the enemy of certain policies and certain actions taken by the Serbian leadership, especially Karadzic's Bosnian-Serb leadership. I condemn violence, fanaticism, and brutality. I do not condemn any nation, however.

As far as my position is concerned, of course, I am not the one who will make the decisions. Nevertheless, I think that each voice has its own significance. When a person is a president, albeit of a small state that does not make decisions, his voice may perhaps be listened to more than if he were a private individual. And it makes sense to repeat certain things. I was criticized a year ago for recommending a more emphatic approach by the international community; it ultimately adopted this approach. It may have been a year later and, again, it was a little inconsequential, imperfect, and befuddled; nevertheless, it happened. I do not think this was because I made a statement a year ago. However, many people referred to this situation, and newspapers throughout Europe and America again and again subjected the indecisive and befuddled policy to critical reflection. This, undoubtedly, had an influence on the decision to issue threats of an air strike, whether in Sarajevo or later around Gorazde. In this instance, it was, of course, a little ambiguous.

[Blazevic] The democratically oriented people in Bosnia-Herzegovina who were in favor of a multi-ethnic state now feel defeated by the nationalists and fascists. At the same time, they feel betrayed by the Western democracies.

[Havel] I absolutely understand these feelings, and I know that, apart from the three warring sides, there is a powerful fourth side here—the side that does not want a war and that does not feel the need for confrontation among the individual ethnic groups. I am on the side of these people. However, whenever we say that someone has betrayed us, and when we are angry at someone, we have to associate this with certain self-reflection. After all, the leaders of the current conflict were once elected by someone. Karadzic was elected as the representative of a certain side in elections in Bosnia-Herzegovina. Society must reflect on its own mistakes or breakdowns and not only shoulder all the responsibility onto others.

[Blazevic] When you speak about Bosnia—now, however, we are speaking not only about Bosnia—do you perceive a conflict between Havel the intellectual and Havel the politician?

[Havel] I admit that this issue perhaps bothers certain commentators more than it bothers me. I do not feel that

it is such a major problem. Fate has placed me in a role in which I must express my views—which I would have even if I were not president—in a manner corresponding to the responsibility arising from my position. I often have to choose other words, perhaps more diplomatic or cautious words, but I have to remain true to myself and say what I really think. I accept this as a new challenge and as a task that I am faced with, a task with which I have to come to terms. This is nothing new because life and fate have always confronted me with all sorts of strange tasks. And, perhaps, their novelty will, to a certain extent, encourage and provoke me into performing them.

Daily Views 'Partnership' Presentation Note

AU1705193094 Prague MLADA FRONTA DNES in Czech 14 May 94 p 2

[Commentary by Jan Lipold: The Government Wants To Present NATO a Clear Idea of Partnership"]

[Text] Prague—The Foreign Ministry expects no need for major changes by the North Atlantic Alliance to the Czech Republic presentation document on the Partnership for Peace plan that will be handed over to the NATO center in Brussels.

On the basis of the report approved by the government on Wednesday [11 May], the NATO leadership will draft the specific program of cooperation with the Czech Republic and submit it to Prague.

"The proposal for cooperation with NATO is realistic," Ivan Busniak, director general of the Foreign Ministry Euroatlantic Section opines. According to the experience of the diplomats, the ideas of certain other states that signed the Partnership are too ambitious for NATO.

In the end, there will apparently be fewer than 20 countries that join the project. Although the plan of close cooperation with the North Atlantic Alliance facilitates an individual approach on the part of the Alliance to each of the countries, it is expected that the mutual relationship that each of the Central European countries will have with NATO will be analogous and closer than that of the East European countries or the former Soviet Union.

"NATO will not wait with the cooperation plan for Central European countries until it is clear what the position of Russia will be with respect to the Partnership," Ivan Busniak concludes.

The Partnership for Peace does not give the countries that join it any security guarantees from NATO; rather, it assures them of security consultations with the Alliance in the event their independence or territorial integrity are threatened. The outcome of the consultations could be, above all, diplomatic activities of the NATO countries. Direct military assistance is considered only as the last recourse.

The expenses arising from the participation of the Czech Republic in the Partnership are estimated at tens of millions annually. According to Busniak, however, the Czech Republic is one of the few states that have realized from the very beginning that they will have to pay the necessary costs.

The Czech Republic offered NATO in the presentation document the UN base near Cesky Krumlov and training facilities in Boletice. This year, the Czech military zones are to be used for exercise purposes also by French and German soldiers.

The joint training and cooperation with the NATO armies should also facilitate the participation of Czech soldiers in UN peace operations. After all, the core of UN peacekeeping forces is often the units of the NATO-member countries.

Security Service Using Former StB Personnel

AU1805075094 Prague MLADA FRONTA DNES in Czech 14 May 94 p 2

[Article by "ajk": "According to Devaty, BIS Still Needs Former StB Agents"]

[Text] Prague—Approximately 5 percent of the employees at the Security Information Service [BIS] are former State Security [StB] agents. Stanislav Devaty, acting director of the secret service, said at the meeting with the members of the Defense and Security Committee of the Chamber yesterday that, although he is not completely satisfied with BIS personnel, the office continues to use the expert knowledge of some agents of the communist secret police.

"I employ them because they are experts particularly on intelligence technology and are therefore qualified to provide training for new employees," Devaty explained and added that not a single one of them worked at the StB in the Department for Combating the Internal Enemy.

Devaty illustrated this by the example of one of the top men in the BIS Economic Department who accompanied him yesterday to the parliament.

Devaty also informed the deputies that BIS spent 489 million korunas [Kc] from the State Treasury last year.

Former HSDMS Deputy Vlcek Joins Left Bloc

AU1705152194 Prague RUDE PRAVO in Czech 13 May 94 p 2

[Unattributed report in the "By Telex" column]

[Text] Deputy Z. Vlcek has become a new member of the Left Bloc deputies' club and the Left Bloc Party [LBS]. LBS Deputy Chairman J. Ortman announced this at a news conference on Thursday [12 May]. Vlcek stood for election for the Association for the Republic-Republican

Party of Czechoslovakia and transferred to the Movement for Self-Governing Democracy-Society of Moravia and Silesia [HSDMS] but, since the HSDMS was established, had never joined the club.

Klaus Wants Chernomyrdin To Repay Debt Faster

LD1705180594 Prague Radiozurnal Radio Network in Czech 1600 GMT 17 May 94

[Excerpts] Czech Cabinet ministers held a meeting today. Ales Hermanek reports.

[Hermanek] [passage omitted] Prime Minister Klaus expressed his disappointment with regard to the progress of talks on Russia's debts to the Czech Republic. He said that the accommodating attitude the Russian prime minister demonstrated with regard to this problem during Klaus's recent visit to Russia had not been reflected in concrete deeds by Russian Government officials. Because the deadline of 30 May, when the methods of debt repayment were due to be resolved, is threatened, Prime Minister Klaus plans to telephone Russian Prime Minister Chernomyrdin on 18 May and agree on further and more vigorous action with him.

Final Accounting for 1993 Budget Approved

94CH0253D Prague HOSPODARSKE NOVINY in Czech 18 Apr 94 p 3

[Article by rum: "The Government Is Expected To Approve Last Year's Budget Today"]

[Text] Prague (rum)—The proposal for the final accounting for 1993 shows an overall surplus of 1.08 billion korunas [Kc]. At the same time, the asset side of the state budget showed Kc99,000 short of being Kc358 billion, and the expenditure side was Kc356.91 billion. This is included in the report on the final state accounting, which was to be approved today by the government session.

In the proposal for utilizing the above-listed surplus, the largest amount is destined for strengthening the reserves set aside for solving social problems. Almost Kc340 million is proposed to establish an authority to administer and control taxes, including legal protection for individual data in the hands of the tax authority. The budget for last year had been voted on an as being balanced in the original amount of Kc342.2 billion. Because of favorable developments, the government increased the expenditure and revenue sides of the budget by Kc9.2 billion at midyear. During the last adjustment of the budget, it was raised to Kc354 billion. According to the proposal for the final accounting, actual revenues had thus amounted to 101.1 percent. On the other hand, expenditures were drawn down at the rate of 100.8 percent [as published]. Moreover, the results of territorial budgets for 1993 ended up with an overall surplus of more than Kc11 billion, with revenues of Kc101 billion and expenditures of Kc90 billion.

First Quarter Economic Data Released

AU1705152294 Prague HOSPODARSKE NOVINY in Czech 13 May 94 p 3

[Article by Antonin Jilecek of the Czech Statistical Office: "The Economy of the Czech Republic Developed in the First Quarter According to Expectations"]

[Text] Industrial output of the Czech Republic was 0.9 percent higher in March than in the same period last year. In the first quarter, industrial output fell 0.7 percent short of last year's level. A marked increase, by a quarter, was recorded by small organizations and individual businessmen. The volume of merchandise production in organizations with 25 or more employees was 3 percent lower than in the first quarter of last year. The production of goods increased in the paper and printing industries by 15.1 percent; in coking and refinery oil processing by 5.9 percent; in the food and condiments industry by 2.7 percent; in the chemical and pharmaceutical industry by 1.4 percent; in the glass, ceramics, china, and construction material industries and the industries that manufacture electrical and optical instruments by 0.5 percent. It declined in all other areas.

The number of employees in larger industrial enterprises declined by 5.5 percent in the first quarter in comparison with the same period last year, to 1,353,000 people. Average monthly wages reached 6,102 korunas [Kc]—i.e., 13.8 percent (real wages 3.1 percent) more than in the first quarter of 1993.

Construction output was 4.1 percent higher in March, 6.2 percent higher in the first quarter than in the same period last year. It was 8.2 percent higher in the first quarter in organizations with 25 or more employees. The number of employees in these organizations was 219,000 in January-March 1994—i.e., 1.2 percent more—and their average monthly wages reached Kc6,674—i.e., 14.4 percent (real wages 3.3 percent) more.

The public freight forwarded 43.4 million tonnes of cargo—i.e., 7 percent less than in the first quarter of 1993.

Sales of slaughter hogs were 0.9 percent higher in the first quarter, while sales of slaughter cattle declined by 8 percent, poultry by 28.4 percent, milk by 6.7 percent, and eggs by 4.7 percent.

The cost of living in white-collar workers' households rose in March 2.6 percent from December 1993, in farmers' households by 2 percent, and in pensioners' households by 2.8 percent. Expenditure on services grew the fastest.

The overall volume of retail sales in current prices was 16.4 percent higher in the first quarter and, in physical terms, rose by 7.4 percent in comparison with the same period last year.

The number of job seekers seasonally declined in March to 184,500 and was 32,900 higher than a year ago.

Democratic Left Leaders Meet U.S. Officials

LD1705161794 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1000 GMT 17 May 94

[Excerpts] Since 14 May, Peter Weiss, first deputy chairman of the National Council of the Slovak Republic [and chairman of the Party of the Democratic Left, PDL] and Milan Ftacnik, [PDL] deputy of the National Council of the Slovak Republic, have been on a working visit to the U.S. capital. In an interview granted to our Washington correspondent Peter Susko, they assessed their agenda of yesterday, which was their first full working day, and the results of talks they had with U.S. representatives.

[Begin recording] [Weiss] We met Senator Claiborne Pell, chairman of the Senate Foreign Affairs Committee, who has great affinity for Slovakia. After the liberation, he was the first U.S. consul to Slovakia. He has a reputation of being both a defender and an advocate of Slovak interests. [passage omitted] Pell's interest centered first and foremost on the position of minorities and on their representation in the Slovak parliament. [passage omitted]

[Ftacnik] The fact that Senator Pell received our delegation testifies to the importance the U.S. side attaches to our working trip to the United States of America. Of the other meetings we have had, I would like to mention the meeting with Department of State representatives in charge of the Slovak Republic and our discussion with experts on Central and East Europe on the Foreign Affairs Committee. It has transpired that the representatives of the U.S. Administration realize the role the Party of the Democratic Left is playing and could be playing in Slovak politics even after the early parliamentary elections. That is why they showed interest in our policies and positions on the key issues of Slovak domestic and foreign policy. [end recording] [passage omitted]

Kanis, Army Commander Visit UN Unit in Croatia

AU1705132894 Bratislava SLOVENSKY DENNIK in Slovak 9 May 94 p 2

[Article by Roman Vegh: "Appreciation for the Slovak Unit"]

[Text] Daruvar/Lipik—During the second day of the visit to Croatia by Slovak Defense Minister P. Kanis and Army Commander J. Humaj, our delegation met with L. Kolencik, commander of the Slovak engineering battalion in the former Yugoslavia, at its base in Daruvar, approximately 120 km east of Zagreb.

Colonel Kolencik briefed the delegation on the battalion's situation and on the work it has done and will do in the very near future. He said that our unit has an important position within the UN peacekeeping forces in view of its activities, which consist mainly of constructing and repairing roads and bridges as well as disarming mines. To date, Slovak engineers have built eight new bridges, and, in the Lipik district and Sarajevo, they have checked for mines over almost 30,000 square meters of terrain, have completely repaired 96 km of roads, and have built more than 30 watchtowers. In this context, he asked Minister Kanis to expand the military hardware to include several STRALOM-type tanks, which will make it easier to remove mines. Kolencik also emphasized that, in the future, it will be necessary to tighten up the criteria for selecting the command corps for UN missions. The Slovak ambassador to Croatia, M. Kucera, asked the military delegation to make available at least one helicopter to the Slovak contingent's command in the former Yugoslavia to allow for greater flexibility in supervising the individual groups in this large area. The delegation was also in Lipik, where the UNPROFOR [UN Protection Forces] supreme commander, General Bertrand de La Presle, on the occasion of the first anniversary of the Slovak engineering battalion's deployment in this part of Europe, presented a UN commemorative medal to its 144 members for their involvement in the peace mission. A further 210 members of the unit were awarded a ribbon, second class. B. de La Presle highlighted the high morale of the battalion, which a year ago was given the honor of participating alongside another 30 armies in resolving the Balkans conflict and thus entered into the consciousness of the world community. He also added that this is one of the best units that has served under his command. The commemoration, which, apart from the UNPROFOR supreme commander, was also attended by the commanders of other UN units, continued with a parade of military hardware and a gala reception.

Moravcik Says Stability Pact Not Like Munich

AU1705155094 Bratislava SME in Slovak 15 May 94 pp 1-2

[Interview with Prime Minister Jozef Moravcik by Maria Hluchanova; place and date not given: "Talks on Economic Cooperation Will Dominate"]

[Excerpts] Slovak Prime Minister Jozef Moravcik will depart for an official visit to the French Republic tomorrow. In this context, we asked him for an interview. [passage omitted]

[Hluchanova] What attitude will you adopt, on behalf of Slovakia, toward the stability pact, and how will you justify it?

[Moravcik] I have been informed about the results of expert talks on this issue that were held in Athens on 10-11 May 1994. At these talks, we succeeded in pushing through our standpoint, which has opened the path for Slovakia's active participation [in the conference on the stability pact to be held in Paris in late May]. The only question that remains open is that of the modalities of this participation. Regarding the voices that the stability pact may lead to a new Munich or a new Vienna

Arbitrage [in November 1938, by which southern Slovakia was ceded to Hungary], I would like to stress that this is completely out of the question because one of the conditions I have laid down is that the principle of the inviolability and unchangeability of borders be fully respected and included in the document. This implies an advantageous starting point for further negotiations on our part. [passage omitted]

President Comments on South African Visit

AU1705152094 Bratislava SME in Slovak 13 May 94 p 2

[Article by "jac": "Nelson Mandela Accepted Michal Kovac's Invitation to Visit the Slovak Republic"]

[Text] Bratislava—President Michal Kovac and his wife yesterday returned from a three-day visit to the Republic of South Africa [RSA], where he attended the inauguration of new RSA President Nelson Mandela, at the invitation of the National Inauguration Committee. "We have seen a country with deeply rooted hatred and a wide gap between whites and blacks undergo significant democratic changes, especially recently, which a few days ago culminated in free multiracial elections," the president said, adding that the Slovak Republic considered it very important to participate in this event in order to confirm that we not only continue to be interested in cooperating with the RSA, but also want to start a new stage in mutual relations. The improvement of economic relations was also the aim of Michal Kovac's meeting with the governor of the South African central bank, who is expected to visit Slovakia in the very near future. Because Michal Kovac also met with Nelson Mandela, reporters inquired about the contents of their conversation. "Even though the conversation with Mr. Mandela was short, it was two or three times longer than his meetings with other delegations." Kovac conveyed to the president his thanks for his lifelong quest for the rights of blacks and for seeking a peaceful path toward solving this problem. "At the same time, I made use of the meeting to invite the president to visit the Slovak Republic. Mandela accepted the invitation; the date of the visit will be specified later. I personally believe that the visit might take place next year."

WEU 'Associate Partner' Status Viewed

AU1805081494 Bratislava SME in Slovak 11 May 94 p 1

[Article by "bor": "Slovakia's Orientation Toward European Structures Confirmed"]

[Text] "The orientation that we keep stressing and our ambition to make headway in political, security, and economic integration processes have been confirmed," Minister of Foreign Affairs Eduard Kukan said after a meeting of the Western European Union [WEU] Consultative Forum, where the Slovak Republic was granted the status of associate partner. As of 9 May, we can participate in meetings of the WEU Council and in the work of working groups, maintain contacts with the WEU "planning cell," and participate in various peacekeeping operations and in the evacuation of the population from endangered areas. On the other hand, the status of associate partner does not offer the chance to use the WEU's collective protection or the right to veto its decisions or vote on its supreme representatives.

Defense Minister Pavol Kanis drew attention to the fact that the WEU was the third international institution in the security sphere in which we participate in one way or another. So far, we have been most active within the framework of UN peacekeeping forces, where a Slovak engineering battalion successfully operates. In this context, Kanis "bemoaned" the Army's budget, which does not allow us to make sufficient use of all of the opportunities provided by such cooperation, not to mention the fact that a further cut in this budget is currently being contemplated.

An interesting view was expressed by Minister Kukan when he was asked to explain the fact that last week U.S. political scientist Zbigniew Brzezinski again "forgot," in one of his articles, to include Slovakia among candidates for NATO admission among the Visegrad Four states. According to Kukan, all politicians who committed this "mistake" assured him in personal conversations that this would not happen again. He said that he was unable to explain Brzezinski's repeated "errors" but could not resist adding that "his views and political analyses do not carry all that much weight in the United States today."

Pittner Explains Bill on Bilingual Signs

AU1705191594 Bratislava PRAVDA in Slovak 14 May 94 p 3

[Interview with Interior Minister Ladislav Pittner by Antonia Vymazalova; place and date not given: "Bilingual Names According to a List"]

[Excerpt] [passage omitted] [Vymazalova] Which name of the community in the minority language will it be possible to use [under the law on the use of bilingual signs in regions with ethnically mixed populations]?

[Pittner] The names of communities in the language of the minority are set down in a list that constitutes a separate supplement to the government-sponsored bill. This list includes the official name of the community—that is, its name in the Slovak language—and its designation in the language of the ethnic minority. Under the law, it will only be possible to use names that are on this list. This applies to the Hungarian as well as the Ukrainian and Ruthenian minorities. Those names have been studied by experts from the fields of history, geography, linguistics, and other disciplines, whom we assembled at the Ministry of the Interior. The names had first been discussed with all of the partners in the coalition.

[Vymazalova] Does the government recommend in its own bill the incorporation of some ideas from the deputies' bill on bilingual signs, which it turned down?

[Pittner] Not at all, because the deputies' bill only repeats the previous government's proposal of November 1993, under which the name of the community was to be translated into the language of the minority or transcribed according to its rules of orthography. The translated or transcribed names are not identical to the names used—for example, by Hungarian fellow citizens when referring to their community in their own language. The names of communities as they evolved in the entire historical period until the early 19th century and as they are recorded in Jan Lipsky's work *Repertorium* of 1808 were used as a point of departure. The names on the list are names that have taken shape in the course of historical development and that are used by the local population.

[Vymazalova] You said at a news conference that the law would apply to about 560 names of towns and villages and that the signs ought to be financed by the state. A sum of approximately 6.6 million korunas is to be set aside for this purpose. Who will make and install those signs?

[Pittner] This is the responsibility of the district road administrations. This obligation arises from the law on the designation of communities, and there is a decree that stipulates where exactly at the community's entry and exit the signs must be installed. The name of the community in the language of the ethnic minority will be placed on the appropriate traffic sign.

[Vymazalova] What impact will this law have on citizens' everyday lives? Can the second name be used in the address, for example?

[Pittner] No. Only the name in the Slovak language is the official name. The second name is only for the designation of the community in the mother tongue of the ethnic minority.

MKDH: No Secret Agreement With Government

LD1705164794 Bratislava Slovak Radio Network in Hungarian 1300 GMT 17 May 94

[Text] No secret agreement whatsoever exists between the coalition government and the Hungarian parliamentary parties in Slovakia. This was stated at a press briefing of the Hungarian Christian Democratic Movement [MKDH] by Pal Csaky today.

Speaking about the forthcoming parliamentary elections, he said that the MKDH supported the notion that the Hungarian political forces in Slovakia ought to have a joint stand, but he did not agree with the idea of establishing a joint party. The MKDH wishes to study the proposal of a union worked out by Coexistence, but, for the time being, it is supporting the idea of creating a tripartite coalition between MKDH-Coexistence and the Hungarian Civic Party.

Csaky also said that, after the elections, his party will support any government that, on the basis of democratic principles, continues on the course Slovakia has entered on.

DEUS Holds Council Session, Changes Logo

AU1705133994 Bratislava SME in Slovak 9 May 94 p 2

[Article by "(mh)": "The Democratic Union: We Reject the Opposition's Attempt To Discredit Parliament"]

[Text] Bratislava—In connection with the merger process, it is impossible to specify the exact number of members of the Democratic Union of Slovakia (DU), said DU First Deputy Chairman M. Knazko, following the party's Republican Council session on 7 May. He explained that DU has representatives throughout Slovakia, apart from in four districts. "I am convinced that we will not struggle to enter the parliament," he added in connection with the prognosis for electoral preferences. He rejected the possibility of discussing open lists of candidates in the case of DU; nevertheless, he did admit to negotiations on a preelection coalition, but not until after the publication of the June public opinion poll. The DU Republican Council endorsed J. Kosta as the head of its election team. He is a sociologist and an external adviser to the prime minister.

In their resolution, the members of the Republican Council expressed their distaste at the attempts by the current opposition to discredit the parliament by vulgarizing their parliamentary appearances. The attempts to scandalize government members are nothing other than a well-thought-out tactic aimed at deliberately detracting attention from the parliament's routine work and, subsequently, at destabilizing the situation in the National Council of the Slovak Republic, states the resolution.

DU Deputy Chairman V. Vaskovic said that, at the moment, there is no specific view about the amount of property that should be included in the second wave of privatization. According to him, it is important to reach an agreement on the philosophy of the privatization process; however, in no way should the volume of coupon privatization decline below one-third of the overall volume of privatized property.

In connection with the withdrawal of the trade unionists from the General Agreement, DU Deputy Chairman R. Kovac described as crucial the fact that social conciliation has not been endangered. He discounted the possibility that the trade unionists will increase the pressure on the government, for example, by strike action because they realize that such a course would not resolve the issue. The DU Republican Council approved a change in the party's logo from the original DEUS to the new DU. Kovac justified the change by revealing the reservations expressed by linguists and heraldists.

'Conference' Assesses Place on KDH Ticket

AU1705161994 Bratislava SME in Slovak 14 May 94 p 3

[Article by "rk": "Standing Conference of the Civic Institute: Only the Christian Democratic Movement's Offer Is Realistic"]

[Text] Bratislava—"Only the offer of the Christian Democratic Movement [KDH] is realistic for the Standing Conference of the Civic Institute [SKOI] because it was the first such offer and because it came from circles closest to us," [SKOI spokesman] Jan Langos told a news conference yesterday. He added that an agreement exists between the KDH and SKOI that the KDH would not interfere with the selection and placement of SKOI candidates on the slates of candidates. However, SKOI's candidates will be placed after the KDH's own candidates who stand a realistic chance of being elected. The KDH Council is ready to recognize the right of SKOI members to their own club of deputies in the parliament, Langos said, and estimated that the joint ticket might gain the support of 10-15 percent of voters. Regarding possible differences of opinion between the KDH and SKOI, Langos said that these are not important at present and that the KDH's offer does not entail any obligation for disciplined voting [by SKOI candidates] in the future. According to Langos, all parties to whom the KDH offer has been addressed must decide autonomously. He warned, however, that it is urgent that they make their decision soon.

TV Council Members Get Letters of Appointment

AU1705162294 Bratislava PRAVDA in Slovak 14 May 94 p 1

[TA SR report: "Checking on Quality"]

[Text] Bratislava—Ivan Gasparovic, chairman of the National Council of the Slovak Republic, presented letters of appointment to new members of the Slovak Television Council in Bratislava yesterday. On this occasion, he mentioned their responsibility under the law to check on the quality of television broadcasts. He stressed that this would be one of the council's crucial tasks in the preelection period and voiced the conviction that, in its new composition, the council would build on the positive results of its predecessor. The letters of appointment were taken over by Peter Kollar, Stanislava Benicka, Kornel Foldvari, Terezia Salayova, Kristian Bezak, and Jozef Prusak, who became chairman of the Slovak Television Council. Jozef Prusak told TA SR that the reconstructed council, whose other two members are Eva Kristinova and Dusan Jariabek, wants to become thoroughly conversant with materials being prepared for the parliament, as well as with documents pertaining to the operation of Slovak Television. This applies, in particular, to the television statutes and to the code of ethics of employees of this public corporation that is to be drafted.

SIS Role in Screening Certificates Questioned

AU1705162194

[Editorial Report] Bratislava SME in Slovak on 14 May on page 4 carries an 800-word interview with legal expert Ernest Valko, former chairman of the CSFR Constitutional Court, by Jana Pankovcinova, entitled "After 20 January 1994, the Slovak Information Service [SIS] Is No Longer Entitled To Issue Screening Certificates." In the interview, the place and date of which are not given, Valko argues that, after 20 January 1994, the SIS is no longer entitled to issue screening certificates and that any screening certificates issued after that date are illegal. As the interviewer observes, the continued issue of screening certificates by the SIS was admitted by SIS Director Vladimir Mitro in an interview published in the 12 May issue of the Bratislava daily NOVY CAS.

Valko explains that, on 20 April 1993, the Meciar government authorized the SIS to issue screening certificates; the validity of the then government resolution was limited to nine months, however, so this authorization expired on 20 January 1994. The expert asserts that there is currently no body in Slovakia that is entitled to carry out screening and that any certificates issued by the SIS after 20 January 1994 are "invalid." He even contends that those who received a positive screening certificate after that date can sue the SIS "because the SIS did not have the right to issue those certificates, and it was its responsibility to let it be known that it no longer has this authority."

Horn Sees 'Great Challenge' for Prime Minister

AU1705154394 Budapest MAGYAR HIRLAP in Hungarian 16 May 94 pp 1,5

[Interview with Hungarian Socialist Party Chairman Gyula Horn by Pal Szombathy; place and date not given: "I Would Accept the Position of Prime Minister...."]

[Text] Regardless of the expected results, the Hungarian Socialist Party [MSZP] is thinking in terms of a coalition government, MSZP Chairman Gyula Horn told MAGYAR HIRLAP. Gyula Horn pointed out that the Socialists will agree to govern alone if their partners get scared. Personally, Gyula Horn regards the position of prime minister as a great challenge; reacting to the reservations of the Alliance of Free Democrats [SZDSZ], Horn said that the victorious party chairman is also usually given the prime minister's post according to West European practice.

[Szombathy] Leading SZDSZ politicians have recently indicated that the SZDSZ would not form a coalition with the MSZP if the party nominates you as prime minister. Will such messages affect your intentions?

[Horn] I find it strange that one of the opposition parties is dealing with such personnel combinations two weeks before the second round of elections. Let us wait for the election results, and then the distribution of posts can be part of the coalition talks. SZDSZ Chairman Ivan Peto visited me over the weekend and kindly expressed his sympathy regarding this... should I say?... accident of mine. Both Peto and other SZDSZ leaders expressed the view that, starting from the experience of the past four years, it would not be a good thing to have the party chairman also as prime minister. This was the basic objection of the Free Democrats. I answered that we constantly mention Western examples and a party chairman-prime minister set up prevails almost everywhere in the West, in the case of both social democratic and conservative governments. The head of the party that won the elections is generally the one who forms a government. Besides, this is an issue that we will have time to deal with after 29 May.

[Szombathy] Would you accept a possible nomination as prime minister? Do you have such ambitions?

[Horn] I have never asked for any position in my life; nor will I do so this time. If the MSZP decides to make me the candidate for prime minister, I will naturally accept this. This is a great challenge for anyone, and I have always liked challenges. One can only meet such a challenge with very tough and consistent work. Together with my party, I put my entire life at stake to see this country somehow prosper at long last. Hungary also suffers because there are few who care about others' problems. The past four years has shown the superabundance and harmful consequences of individual and personal ambitions. If I can live for the interest of this country, and we can do this, and if we can see to it that the overwhelming majority of our population live better, it would be a pity to reject such a task.

[Szombathy] Have you considered the possibility of forming a government of experts by obtaining an adequate majority, including experts of parties outside parliament?

[Horn] We have not thought of this, but essentially I support the idea of having two or three members in the next government who do not belong to any political party. This does not necessarily mean a government of experts; it only means the inclusion of figures that are professionals. One should not distribute the positions by mathematically counting the proportion of victors. I have an open mind on this issue.

[Szombathy] Could it happen that you become the Socialists' candidate for prime minister, but someone else becomes prime minister?

[Horn] We will not allow any of our partners to blackmail us. If the MSZP gets an absolute majority in parliament, the president will obviously ask us to form a government. I am almost certain that there will be no shortage of coalition partners. Regardless of the expected results, the MSZP thinks in terms of a coalition government. However, this does not mean a condition to which we stick by all means. If we get an absolute majority and there are no parties that, fearing a socialist imbalance, agree to form a coalition, the MSZP will accept governing responsibility alone. This is its duty because this is what it has worked for for four years! We have been struggling for the use of a better policy all the time. We would be deceiving the voters if we made a retreat with an absolute majority in Parliament. But the MSZP is a force that is acting responsibly.

[Szombathy] You said that there would be no shortage of partners. Why? What other party can you count on, except the SZDSZ?

[Horn] We are open toward every democratic force. At the same time, we do not want to cooperate in the next government with parties that are responsible for the current situation in Hungary, forces that lost the elections, and the current government coalition is such a force. I also said earlier that we are open to a Christian Democratic People's Party [KDNP] that gets rid of its extremists, although the KDNP is also responsible for the current situation. I continue to say that. As for the Federation of Young Democrats [Fidesz], they should decide whether to continue the very extremist line of recent months or to do what they have done in Parliament very well for the past three years, namely followed a pragmatic policy based on a rational ability to evaluate things. If such debates take place in the Fidesz, we will naturally also be open to them.

[Szombathy] Would you accept a minority MSZP government if you fail to find a partner and you fail to obtain a majority?

[Horn] I do not think that we should accept forming a minority government, because I am convinced that we will have a partner even if we do not obtain an absolute majority. If the trend of 8 May continues, the MSZP needs very little to achieve very serious results.

Free Democrat Leader Views Electoral Situation

AU1705161394 Budapest UJ MAGYARORSZAG in Hungarian 14 May 94 p 4

["Petan"-signed interview with Gabor Kuncze, prime ministerial candidate for the Alliance of Free Democrats, SZDSZ; place and date not given: "Privatization Cannot Be Stopped—The SZDSZ Faces a Crossroads—Interview With Gabor Kuncze"]

[Text] We are continuing our series that was started before the first round of the elections. This time we interview Gabor Kuncze, prime ministerial candidate of the Alliance of Free Democrats [SZDSZ]. As is known, the Free Democrats received 19.74 percent of the votes in the 8 May elections and remain in contention in second place.

[UJ MAGYARORSZAG] Preparing for the second round of the elections, you keep emphasizing that you do not wish to change the tone of your campaign. However, you would like to throw light on the differences between the programs of the Socialists and the Free Democrats. In your view, what are the main differences?

[Kuncze] We primarily start from the premise that only a liberal economic policy can find a way out of the current state of the country's economy. This means a strict budget austerity policy on one side and tax reductions and tax allowances to stimulate investment on the other. Conditions for growth have to be established, and when Hungary has economic growth then this will lay the foundations for increased living standards. It does not work the other way round. We are aware of how various people live in this country and, with this in mind, I say that it is impossible for some sharing to be launched because this would result in upsetting the balance or in having to levy extra taxes. This can be an important difference because, although the economic program of the Hungarian Socialist Party [MSZP] prepared by Laszlo Bekesi contains similar elements, it is a big question whether the party's core will stand by it and the trade unions led by Sandor Nagy will support this or something else. The citizens' attention has to be directed to the fact that the SZDSZ is only able to implement its ideas if it gets adequate authority to do this.

[UJ MAGYARORSZAG] Does this mean that there is a negotiating basis as far as economic programs are concerned?

[Kuncze] This is possible, meaning the program of Bekesi. To what extent it is possible to agree on the principles represented by the SZDSZ on this issue is a always a big question.

[UJ MAGYARORSZAG] Do you agree with the left-wing intention that the preferential share purchase program [KRP] and privatization should be stopped?

[Kuncze] Applying the KRP in too broad a circle means considerable costs to the country. Therefore, this cannot be further extended. We agree with ensuring an adequate range of assets in exchange for compensation notes. As a matter of fact, the KRP does not mean additional resources for the enterprises and it does not even mean real owners, and this is why we do not wish to continue it. As for privatization, our view is that stopping it is out of the question. It has to be carried out with more determination and faster then now to hand over the assets to private ownership as soon as possible. It is necessary to change the institutional system, to apply more privatization techniques, and to ensure social control.

[UJ MAGYARORSZAG] What role do you intend for the State Property Management Corporation [AVRT] and the State Property Agency [AVU]?

[Kuncze] We did not agree with establishing the AVRT and we would also have placed the AVU under parliamentary control. We still have the same intentions. We believe that the two institutions should be amalgamated. It will also have to be considered whether we need such a large amount of state assets as at the moment is prescribed by law. Almost all aspects of the privatization laws will have to be amended.

[UJ MAGYARORSZAG] Is there a contradiction here? Would parliamentary control slow down the processes?

[Kuncze] We are always questioned about this because people interpret this as meaning that parliament would make the privatization decisions. This is not so. One level of parliamentary control is that parliament will appoint the participants of privatization, the assets that are to remain in state ownership, and the general asset policy guidelines. The second level is that a deputy from each of the parliamentary parties should be delegated into the supervisory committee of the asset management organization that is to be set up. We are not saying that parliament will constantly be examining every single case. As all parties will participate in the supervision, social control will be ensured because the parliamentary parties as a whole represent a significant part of society.

[UJ MAGYARORSZAG] In your view, is the country's economic situation indeed more tragic than four years ago?

[Kuncze] Successes and failures have both characterized the past four years. I do not think it is correct to say that the country only had successes but I also consider it unacceptable that only failures existed. Accordingly, the country's economic situation is diverse. Some positive and very many negative phenomena exist. I see the breakdown of the internal and external balance and future dangers from this as most problematic. The government that came to power four years ago had countless

opportunities to act—compared with this, the room for maneuver is significantly smaller now. This is why the next government will be in an incomparably more difficult situation.

[UJ MAGYARORSZAG] As for the first round of the elections, there did not seem to be too much cheering by the SZDSZ. Nevertheless, you are still in contention, in second place....

[Kuncze] The Free Democrats have had a successful result. More people voted for us on the lists than four years ago, and our candidates are still in contention in 162 places. The reason we were not cheering in our headquarters in Merleg Street is that we had more or less expected these results, and, at the same time, we know that the second round can considerably influence the final results. In my view, the MSZP received too much support from the voters, and I would not find it fortunate if the Socialists acquired too much power.

[UJ MAGYARORSZAG] Under what conditions and with what proportions can a possible MSZP-SZDSZ coalition become a realistic idea?

[Kuncze] The ability to coordinate programs is the most important point of view. If the MSZP acquires an absolute majority on its own, this will mean that the SZDSZ does not have the necessary weight and, in this case, it would be rather difficult for us to enter into a coalition. In this case, I would not even support doing so. If the Socialists do not have the majority, then the Free Democrats will be under certain constraints because, if we did not enter the coalition, new elections would have to be called. As for issues of personnel, I regard these as of secondary importance. I do not want to talk about myself. However, it is a fact that [MSZP Chairman] Gyula Horn is unacceptable to the SZDSZ as prime minister. As for proportions, getting 25 percent of the parliamentary seats would already mean a serious influence for the Free Democrats.

Peto, Bekesi View SZDSZ-MSZP Cooperation

AU1705164994 Budapest MAGYAR HIRLAP in Hungarian 16 May 94 pp 1,6

[Interview with Ivan Peto, chairman of the Alliance of Free Democrats, and Laszlo Bekesi, economic expert of the Hungarian Socialist Party, by Ivan Gador; place and date not given: "Robinson Crusoe and Man Friday in Politics?—Laszlo Bekesi and Ivan Peto Talk About the Coalition Possibilities"]

[Excerpts] [passage omitted] Not yet knowing the election results, political scientist Attila Agh said that the Hungarian Socialist Party [MSZP] and the Alliance of Free Democrats [SZDSZ] are like Robinson Crusoe and Man Friday to each other. They might not really want each other but they cannot live without each other. Can you accept this view?

[Peto] [passage omitted] The MSZP has a chance to get an absolute majority. Therefore, technically, the Socialists do not need us. However, politically they do. A coalition government is more useful for the country in all respects than a one-party government. However, it is no use denying that a good number of MSZP members treat the dilemma of a coalition or a one-party arrangement as a simple technical matter and tend, for this reason, toward the former. [passage omitted]

[Gador] In recent days, many guesses have surfaced about the MSZP's actual direction. Whether it will support the Bekesi-type social-liberal line—this is actually the party's accepted program—or follow a separate road in the hope of a large-scale victory.

[Bekesi] Certain subjective intentions and ideas—especially in the current situation—obviously do emerge. However, what Attila Agh said is an objective necessity, however we look at it. To use the slogan of a well-known film: "You cannot do it on your own...." Especially because—this might sound like a commonplace—the country is in a difficult situation. This situation can be described in terms of three typical attributes: The economic crisis has become deeper, the etatist governing of the past four years has created nausea and much damage, and, according to 2.8 million voters—the two parties together received this number of votes—the way out of this can only be found by implementing a modernization program. A social-liberal economic policy is clearly required to restrain the economic crisis and establish the conditions for growth. This can only be implemented by a coalition government of this structure. In other words, it cannot indeed be done alone. The progressive political forces have to work together, otherwise the trust will be lost. A close cooperation is primarily in the interest of the party that receives the most votes. I do not think this need be further explained. In addition to this, we need not make very great efforts for our parties to cooperate. As Peto also mentioned, the major features of our programs can be harmonized even if experts have disagreements on minor issues. However, these can be bridged. We have complete agreement on the essential issues, for example that etatism has to be eliminated: The "withdrawal of the state," or deregulation is one of the most important tasks.

[Gador] In other words, among other things, you agree that the citizens should be left in peace and they need not be told every day what to do.

[Bekesi] Certainly. The state must not oppress people, their lives, or the economy. It might be naivete on my part but I believe that since 53 percent of the electors have voted for this program then they have only authorized us to implement this program. The electors believe that this program can successfully be implemented together. Therefore, their confidence does not only apply separately but it also obliges us to cooperate. If this is so, then it is our duty to overcome the mistrust that undoubtedly exists between our parties. This is in the interest of both parties.

Bekesi: Realistically, Logically

[Gador] However, the MSZP received almost twice as many votes as the SZDSZ. I very well remember that, from the first moment to the last, the Hungarian Democratic Forum [MDF] alluded to the fact that the majority of Hungarian society had voted for them: These votes meant that they were right. Are you sure that this false euphoria will not capture the MSZP?

[Bekesi] If we are realistic and logical, we do not think in terms of parliamentary arithmetic and the party will not be overcome by the arrogance of power just because it got more votes than its partner. Overvaluing the numerical success of the elections can also be a very visible lesson for my party. I know that 1.8 million people voted for us in the first round, but even if I had never learned mathematics, I would know how little this is compared with the 10.5 million Hungarian citizens. We also have to recognize that, even together with the SZDSZ's 1 million votes, the two parties only have less than 28 percent of society's and 33 percent of the electors' confidence; therefore, we have no right to any kind of authoritarian behavior. We must cooperate with society and, to be able to do this, mainly with each other.

[Gador] This recognition is respectable. However, does this mean that you will not use any "power" superiority when the probable coalition talks are started after the second round and the offices and ministerial positions are allocated?

[Bekesi] Let me recall the agreement between Helmut Schmidt and Hans-Dietrich Genscher when the Social Democrats ended up with more than 40 percent at the elections while the Free Democrats did not get more than 7 or 8 percent. The allocation of ministerial positions was decided by sober consideration rather than by the proportion of the parliamentary representation. They governed successfully at the time. This is what is before our eyes! [passage omitted]

[Gador] Politicians of two parties, who have very different backgrounds, are sitting here and are agreeing on all the important issues, and they might at most be politely and quietly debating each other's arguments and conclusions. I do not wish to be cynical: Hungarians have been dreaming about this. However, is this not only a case of what the conservative politicians and journalists accuse you of, namely that you want to achieve a two- third majority in parliament, and can then even legally rewrite the Constitution. Many people believe—and the predecessors of the Socialists are an example of this—that uncontrolled and uncontrollable power is bound to become distorted.

[Peto] Every kind of power can be abused at any time; however, it might not be worth it. This kind of policy does not work in the long run, and not even in the short term nowadays....

[Bekesi] And we do not wish to fail.

[Peto] A possible two-thirds majority can be used, rather than abused, because, for example, the parliamentary order of procedure can be changed in such a way that parliament will indeed be able to function. In the meantime, the rules that we are planning would significantly expand the rights of the opposition. This is what we have been saying for years, actually....

[Bekesi] A new law on local authorities and the media should be made....

[Peto] If I wanted to speak with pathos, I would say that the SZDSZ has not been fighting for basic democratic rights for years so as to become anti-democratic now that it may come to power. [passage omitted]

[Bekesi] Uncontrolled and uncontrollable power is indeed frightening. It must not exist. The MSZP, just like any other party, only has a chance for successful governing in a coalition, otherwise it will fail. This will not change whether we get 48 or 52 percent after the second round. I repeat: The dominance and the ministerial seats have to be decided on the basis of rational consideration rather than in accordance with the parliamentary power relations after 29 May. The country—and among others, to maintain its prestige, the MSZP—needs a rational government that is able to operate and which is professionally impeccable. [passage omitted]

MSZP-SZDSZ Foreign Policy Previewed

LD1805101394 Budapest Kossuth Radio Network in Hungarian 0900 GMT 18 May 94

[Text] If they come to power, the Socialists and the Free Democrats will conduct a foreign policy which gives equal priority to relations with the East and the West and with Hungarians living beyond the country's borders. Laszlo Kovacs and Istvan Szent-Ivanyi, foreign policy experts for the Hungarian Socialist Party [MSZP] and the Alliance of Free Democrats [SZDSZ], respectively, have announced that Hungarian foreign policy will change substantially both in its style and methods.

The SZDSZ politician also said that with respect to neighboring countries, they will present a pragmatic policy which is adjusted to Hungary's dimensions and true significance.

SLD Constitutional Draft Examined

WS1705132894 Warsaw GAZETA WYBORCZA in Polish 17 May 94 p 3

[Article by Agata Nowakowska: "The Constitution According to the SLD—Weakening the President"]

[Text] *What will the president be doing if the Democratic Left Alliance [SLD] manages to push through its constitutional draft? He will be awarding medals and shaking diplomats' hands.*

In April of 1993 (in the previous Sejm), the SLD submitted its own constitutional draft. Since then, Lech Walesa successfully made life miserable for the SLD several times already.

As soon as Walesa signed the Budget Law, a group of Sejm deputies for the SLD made an attempt to amend the Small Constitution. They wanted to severely limit presidential powers, but the Belweder reacted in strong terms: The president even made a declaration that he "will dissolve the Sejm" even if he is "subsequently charged by the Tribunal of State."

In the end, however, a cease-fire came into force: Aleksander Kwasniewski promised that the SLD will not tinker with the Small Constitution, and Walesa promised to accept the SLD's new candidate for finance minister, as well as allow deputy ministers coming from the SLD into the Ministries of Defense, Internal Affairs, and Foreign Affairs.

Corrections After a Lesson

But, after this lesson, the SLD changed its previous draft of the "big" constitution. It blows a strike, first of all, to the president, whoever he happens to be (presidential elections are scheduled for fall 1995).

The SLD draft suggests cutting short the president's term of office from six years (the old version) to five years. Instead, the Sejm's term would be expanded: It would last until the first session of a new Sejm. The SLD wants to avoid a case similar to that of Hanna Suchocka, who was in power without the Sejm's supervision.

The point is also to make it impossible for a future president to block governmental nominations (as happened in the case of Dariusz Rosati, the SLD's initial candidate for the post of finance minister), to drag his feet over signing the budget, or to try to avoid accepting individuals from the governing party or coalition into the presidential ministries.

Almighty Prime Minister

The SLD now wants the Sejm to appoint a prime minister, with the president having a say only after four unsuccessful attempts by the Sejm (he could also order early elections in such cases.) Under the previous draft, it was the president who made a motion in the Sejm to have a candidate approved.

The SLD also changed its mind concerning ministers: They are to be appointed not by the president but by the prime minister (under the old version, the president was to perform the role of a notary public; he would sign a nomination at the request of the government's chief). The president would lose the privilege of appointing the attorney general. According to the SLD's new draft, this would be done by the Sejm, which would also appoint a chancellor of the law, who would supervise the conformity of draft laws with the legal system.

A Lesson Over Budget

The Polish Peasant Party and the SLD were scared until the very last moment that Walesa might not sign this year's budget. The SLD wants to avoid such traumas in the future: Under the proposals, the president would have to either sign the budget or veto it within seven days. However, the Sejm could overrule such a veto by a three-fifths' majority, thus forcing the president to sign the budget anyway.

Under the previous draft, the SLD treated the budget almost the same way as other types of laws: The president could sign or veto the budget within 15 days; he could also address an inquiry to the Constitutional Tribunal over the budget's conformity with the Constitution.

Concordat, Work, Personality

The SLD has been saying for a long time that the Concordat with the Vatican is discriminatory vis-a-vis non-Catholic churches. In the new constitutional draft, the party makes things perfectly clear: Nobody can be placed at an advantage by any kind of law or international agreement.

The SLD declares a regime of a "social market economy" (even though the statute of Social Democracy of the Polish People's Republic speaks of democratic socialism), it wants to provide legislative guarantees for a 40-hour workweek (which the striking miners demanded recently), and it guarantees a right to organize strikes, but it also leaves a safety valve in the form of the possibility of banning strikes, for instance, in strategic sectors of the economy.

The SLD declares in its draft that work is "the fundamental precondition for the development of the human personality," and it wants to give every citizen the right to "unrestricted development of his or her personality" and to "freely chosen work done for just remuneration."

The SLD promises free education in public schools, free health service at public clinics and hospitals (but only such services as are "necessary for health protection"), and the right to a dwelling.

Report on Solidarity Constitutional Draft

WS1805112994 Warsaw NOWA EUROPA in Polish 18 May 94 p 2

[Article by "SAR": "Trade Unionists Have Come Up With Their Own Constitutional Draft—Constitution by Solidarity"]

[Text] *In accordance with the principles of a constitutional draft prepared on the initiative of Solidarity, the president of the country would be authorized in special cases to declare martial law or a state of emergency during which some human and civil rights could be suspended, as well as some laws, such as the budget law, tax laws, and laws concerning monetary and credit policies. If the National Commission of Solidarity decides today to adopt the draft, Solidarity, in line with a new law on the proceedings for the preparation and adoption of a constitution, will have to collect 500,000 signatures under the draft before the trade union submits it to the National Assembly's Constitutional Commission.*

The draft puts emphasis on the country's democratic nature and on the chief position in the nation, which is the source of all power. The draft also stresses the role of work as the basis for the country's development, and also the role of the right of ownership and a right to inheritance, as well as the economy's free market nature. The draft envisages a division of power between three branches and says that exercising power takes place through representatives, a referendum, and a citizens' legislative initiative that would be supported by votes of at least 200,000 voters.

The president would be the head of state and would perform the role of an umpire between the Sejm and the government. He would order parliamentary elections, and he would enjoy the right to veto laws that have been adopted. Such vetoes could be overruled by the Sejm with a three-fifths majority (according to the Small Constitution, the Sejm can overrule a presidential veto with a two-thirds majority.) The draft also says the president could be brought to justice by the Supreme Court performing the function of a Tribunal of State, based on a Sejm resolution adopted by a three-fifths qualified majority. (According to the Small Constitution, the president may be brought to justice by a resolution of the National Assembly adopted by a majority of at least two-thirds of votes of the total number of members of the National Assembly, on a motion of at least one-fourth of the total number of the total number of members of the Assembly).

The trade union's constitutional draft guarantees the right to education to everyone, but only public schools are listed as free of charge. The draft also says everybody has a right to health protection, while the public authorities create the right conditions, making it possible to implement the right in practice.

Kolodko's Economic Policy Concept Outlined

PM1805083694 Wroclaw GAZETA ROBOTNICZA in Polish 10 May 94 p 3

[Article by Ryszard Zabinski: "Grzegorz Kolodko, or Production and Investment"]

[Text] Poland Anno Domini 1990 was the first historical example of a country moving from socialism to capitalism. We became a quite unique experimental laboratory for a variety of advisers like Jeffrey Sachs. But there was too high a price to pay for some of those experiments—in the form of the collapse of many state enterprises, extensive unemployment, and so on.

That is, more or less, the line of reasoning adopted by Grzegorz Kolodko, the new "father" of our economy. Does it signify a departure from the liberalism represented by the Gdansk school—that is, the policy we have attempted to put in practice for the past four years?

Grzegorz Kolodko has a long-term concept of our future economic development. As a fertile publicist and author, he often presented and interpreted his vision for the public's benefit. It must be admitted that, despite the passage of years, his program has remained almost unchanged and is still very good.

However, we still have many legitimate doubts as to whether he will be able to translate it into practical terms. The foundation of his idea is rapid production growth, which should in turn cause an increase in the national income. In the next four years, production should grow by as much as 26 percent and national income by 23 percent (that is, approximately 5.6 percent annually).

We should be able to achieve this through exports, the development of the economic infrastructure (transport and communications), and an inexpensive housing-construction program. At the same time, as we carry out major capital investment projects, we should achieve a reduction of unemployment figures.

Exports should be the number-one priority. They are the principal economic growth tool of any state that wants to become an economic tiger. The state must support exports through credit guarantees, export tax and tariff concessions, the development of free trade zones, and so on.

The development of the infrastructure is achieved primarily through building superhighways and investing in the growth of telecommunications networks. As regards the first of these goals, Poland would find its chief opportunity by joining in the EEC Growth Initiative Scheme. I will deliberately avoid discussing the question of housing construction here because this sector was supposed to serve as the main "flywheel" of the Polish economy ever since the Gierek era.

There is no doubt that a program that places such strong emphasis on capital investment and production is bound

to be very expensive. Who is going to pay for it? Any major budget deficit will be made good through the issuance of special State Treasury bonds. It is envisaged that a system of incentives (based on special tax allowances) will be introduced here to encourage the public to buy these bonds.

Another method, the simplest, would be to increase taxation rates. However, Grzegorz Kolodko proposes an alternative solution here: to increase the number of taxpayers in the country by, among other things, bringing the economic "gray zone" into the open and subjecting it to the normal fiscal regulations and obligations. Consequently, we can expect to see the introduction of many radical measures in this area. I must admit that this element of Kolodko's program raises the greatest doubts in observers' minds. If it does not succeed, which could happen very easily, we will have to review that section of the whole program quite radically and burden honest taxpayers with the obligation to help with the budget deficit.

The expected deepening of the budget deficit will not be the result of more money having been pumped into the so-called budget-funded sectors of the economy (administration, education, health service, and so on), so the latter will not benefit from it at all. Instead of linking their pay increases to the inflation rate and reviewing their pay structure, they will be offered alternative compensatory pay in the form of "zero-interest" State Treasury bonds, which, however, will be index-linked to the movement of production prices.

An additional source of budget revenues should come from, among other things, increased excise charges, the introduction of border duty (approximately $10-15 per person for crossing the state border), and the introduction of stock market tax for all investors.

This last idea entails a particular risk because the proposed stock market tax would not be charged on individual transactions but on stock market investment gains. Such an unfortunate move would doubtless scare investors away from the stock market and induce them to place their money in, say, the bonds and securities market. I strongly suspect that that is what the new deputy prime minister is after: to get people to make good—at least partly—the budget deficit by buying State Treasury securities.

Kolodko's concepts are not presented in the form of an official document. Nothing has yet been decided beyond the possibility of change. They are simply the new prime minister's views on the state economy, but he will doubtless set about putting them into practice.

The economic reforms of the past four years have been implemented under the motto of liberalization of the market; the next four years are supposed to be devoted to the goals of production and investment. However, it is quite likely that this program will prove too hard on employees and workers of the budget-funded sectors of the economy. The populists will still have a good chance of acceding to positions of power on the pretext of creating the mythical "third way."

New Shares-for-State-Bonds Plan Announced

WS1805102794 Warsaw NOWA EUROPA in Polish 18 May 94 p 1

[Article by "D.S.": "Finance Ministry Proposes Shares in Return for New Bonds"]

[Text] *Grzegorz Kolodko, deputy prime minister and finance minister, has announced that he will initiate new proposals for special State Treasury bonds, which would be indexed on the basis of an indicator of industrial prices and that people will be able to exchange for shares in enterprises subject to capital privatization. Such instruments should make the offer of sales of enterprises, banks, and insurance institutions being privatized more attractive.*

According to Minister Grzegorz Kolodko, the operation should contribute to decreasing the level of public debt: "We cannot tolerate a situation where, as a result of the transformation process, the state will be left without any assets and with a huge public debt," Kolodko stated. At this stage of the initiative, the Finance Ministry refuses to reveal details of the introduction of this new instrument. Dariusz Kostyrka, deputy director of the Public Debt Department at the ministry only reported that the ministry prepares plans for new bond issues every year, after the Budget Law is adopted. This year, there are plans for the following: a one-year issue in June (a prospectus has already been signed), the continuation of previously issued bonds (one is a two-year issue and the other a five-year one), and a three-year issue scheduled for August.

The Securities Commission [KPW] has noted with satisfaction the announcement of introducing yet another debt instrument. However, according to KPW Press Spokesman Jacek Jonak, before issuing such bonds, the ministry should consider whether all of the commitments arising out of the second issue have been implemented in accordance with what had been announced. The KPW noted that, despite the creation of a legal framework (an ordinance issued by the finance minister in 1989), there are problems with exchanging bonds for shares. The legal provisions provide that people can pay for State Treasury-owned shares with bonds at a 20-percent discount in relation to the bonds' face value plus interest payments.

Civil Rights Spokesman Tadeusz Zielinski has addressed the finance minister and asked him to undertake decisive measures to make the implementation of such operations possible. According to Zielinski, the situation undermines citizens' confidence in the state apparatus. "It is outrageous that, throughout the four years, no proceedings were ever worked out that would enable citizens to implement their claims on the basis of bond ownership," Zielinski stated.

GUS Reports on Apr Inflation, Prices

WS1805103394 Warsaw NOWA EUROPA in Polish 18 May 94 p 1

[Article by "J.K.K.": "GUS on April Economic Situation—Higher Inflation"]

[Text] *The Central Office of Statistics [GUS] reports that, in April, prices for merchandise and consumer services were, on average, 2.9 percent higher than in March. Over the same period, prices for output sold in industry rose by 1 percent, which was mainly the result of an increase in the cost of industrial activity (by 1.7 percent) and of increases in the cost of supplying electricity and water (by 1.1 percent).*

Inflation in January, February, and March was 1.8 percent, 1.1 percent, and 2 percent, respectively. In the first 10 days of May, prices for merchandise and consumer services rose by 1 percent.

In April, compared with March, prices on services rose the most—that is, by 4.3 percent. In the same period, prices on food products rose by 2.8 percent, on nonfood products by 2 percent, and on alcohol by 1.7 percent.

According to GUS, the increase in prices on services was influenced mainly by the April increases in prices for central heating and hot water and also by increases in prices for Polish State Railroads monthly passes, prices for one-time tickets on the State Motor Transport system, and an increase in fees for stays in convalescent houses, which tripled. On the other hand, the increase in food prices was influenced by seasonal price rises with regard to potatoes, vegetables, and fruit (by 9.2 percent) and by an increase in prices for meat and similar products, which were higher than in the preceding months (by 1.6 percent).

Throughout the first four months of this year, prices rose by 30.9 percent compared with the same period last year. Over the time period, prices on services rose the most (32.7 percent), followed by nonfood products (31.7 percent). Prices on food rose by 30.1 percent and on alcohol by 22.5 percent.

As GUS reports, the biggest impact on the price changes in the production sector came from a price increase in those sectors that have a high value of sold output (products made from nonmetal raw materials, chemicals, chemical products, and artificial fibers).

The average monthly salary in the enterprise sector was 5,319,900 zlotys [Z] in April, which represents a drop of 1.8 percent from March, while the average salary computed without payments from profits and without a balance surplus in cooperatives, was Z5,088,700, which is an increase of 1.9 percent from March.

Petrobaltic Director on Industry's Prospects

PM1705151294 Gdansk DZIENNIK BALTYCKI in Polish 11 May 94 p 9

[Interview with Jan Kurek, director of the Petrobaltic Oil and Gas Prospecting and Extracting Company, by correspondent Grzegorz Jasny; place and date not given]

[Text] [Jasny] Last month, after several years of investigation, hard work, and negotiations, Petrobaltic was granted a license to extract petroleum from under the Baltic Sea floor. Initially, more than 100,000 tonnes of oil were extracted from Sector B-3 in a so-called test production operation. Full-scale industrial production is beginning now. How much oil is there in the area designated Sector B-3?

[Kurek] The size of our oil deposits is an official secret. One of the reasons for this is that these resources constitute a part of our strategic reserve. All I can tell you is that, during the first stage of operations, we will extract 500 tonnes of crude oil per day from four wells. Once the field is fully operational, we should be able to obtain 1,500-1,700 tonnes of oil per day.

[Jasny] Petroleum extraction is one of the more profitable economic undertakings, but it must be remembered that you have had to bear very considerable costs associated with developing the site for industrial extraction. Has this money been recouped yet?

[Kurek] The money we made from the sale of the oil obtained in the test production stage is not the only sum we have earned so far. Our vessels also earned money by offering contract services to North Sea oil-extraction enterprises, and the profits from these operations were used to partly finance our own current expenses. However, it is true that, recently, the major proportion of our financial resources has come from the sale of our own oil. We not only recouped the equivalent of the outlays made to date but we were also able to ensure that the company is largely independent financially, using little outside assistance, and that we discharge all of our obligations in respect of the state budget.

[Jasny] I understand from this that you ended the last financial year with a profit. Is that correct?

[Kurek] It is.

[Jasny] As far as I know, extraction from the oil field you are working at the moment is planned to continue for approximately a dozen years. What will Petrobaltic do when that is finished?

[Kurek] Our company's very name indicates two different types of operations. The first is prospecting for crude oil and other raw materials, identifying deposits, and estimating the amount of raw materials found there. The second is extracting these raw materials. Apart from developing the B-3 sector for extraction, we have been carrying out parallel operations in prospecting for and identifying further deposits of hydrocarbon materials.

We already know that there is a rather small oil deposit north of Rozewie that could be economically viable for extraction. To recap: Apart from our extraction operations, we also carry out a program of identification and documentation of further crude oil deposits, which we may develop for extraction at some future point.

[Jasny] Your company intends not only to operate in the Baltic area but also to extend its offer to the Asian seas. Could you tell us a bit more about this project today?

[Kurek] A petroleum extraction company should not be run as a provincial firm. It must be expansive and aim to actively extend its field of operation. We are currently in the course of negotiating cooperation in our particular business field with the Baltic states. Everything indicates that we will be able to work together with other oil companies in developing new extraction sites belonging to these countries. Perhaps we will also—together with other countries—search for and extract oil deposits in the Asian seas. That would be an excellent start in turning our company into an international business. Naturally, I cannot release any details concerning the aforementioned negotiations because these are always confidential.

[Jasny] Is your company sufficiently prepared to enter the international scene?

[Kurek] We must meet three essential preconditions if we want to be taken seriously in the international oil market. We must employ credible professionals, we must have considerable previous experience, and, finally, we must have sufficient financial backing. Any bank will lend money to a healthy and prosperous oil-extraction company. We do indeed meet all of these conditions.

[Jasny] Nevertheless, your plans of expanding your business operations to include other seas around the world are still at the project stage, although I hope they will come true. But to come back to the concerns of the present day, we should also remember that all extraction operations carry with them an ecological risk of damage to the environment. Have you made sufficient precautions against—God forbid—some unwelcome developments in that area?

[Kurek] From the very first stage of our operations—that is, the gathering of information on potential deposits and the designing of the proposed prospecting work—we pursue an integrated environmental protection program. Our equipment comprises machines and technical appliances that permit the extraction of crude oil without damaging the natural environment. We meet all of the requirements imposed on our particular kind of operation by the Helsinki Convention. We have at our disposal a range of state-of-the-art oil extraction technologies. There are no better solutions anywhere in the world. The system we use in Sector B-3 is fitted with multiple safeguards, and there is practically no possibility that the waters of the Baltic could become contaminated as a result of our operations.

[Jasny] Thank you for talking with us.

Daily Reports on Problems Facing Arms Industry

WS1705133294 Warsaw RZECZPOSPOLITA in Polish 16 May 94 p 8

[Article by Jacek Czarnecki: "Arms Industry; Empty Pockets"]

[Text] The arms industry today employs half as many people as it did in 1988. Exports have dropped by 85 percent, and orders from the Polish Army have plummeted catastrophically. Over the past four years, the arms industry has lost its "traditional" markets in the Middle East and East Asia, as well as in the former Soviet Union. One year ago, the indebtedness of the special enterprises came to 12 trillion zlotys [Z]; today it already exceeds Z15 trillion.

It is difficult to see any chance to change this situation. Exports are still effectively blocked by the so-called negative list of countries to which arms cannot be sold, as well as by the atmosphere of scandal related to the Polish arms trade. The Ministry of National Defense will spend only about Z4 trillion for the purchase of new equipment. Experts from the Central Planning Administration say that, to improve the condition of the arms-industry sector, the Army should buy Z7 to 8 trillion worth of equipment in 1994.

Exports Without Significance

The arms industry is not getting any money for restructuring. The production potential, the maintenance of which requires billions of zlotys a year, would be sufficient to meet the needs of a 500,000-member army. Only 20 percent of this potential is now being used. It is not known what should be done with the rest, as well as with the people employed at defense industry enterprises.

Before 1990, as many as 80 companies worked to meet the needs of the defense industry. The main recipients of armaments were the almost 500,000-member Polish Army, the armies of the Warsaw Pact, and the countries of the Middle East and East Asia. From 1965 to 1990, the Polish arms industry supplied 11,000 tanks, 5,800 self-acting howitzers, 1,600 artillery tractors, 8,600 armored transports, 6,000 helicopters, 1.5 million guns and machine guns, as well as vast quantities of ammunition. Between 1984 and 1991, Poland exported armaments worth $1.8 billion and 7 billion transferable rubles. In the years 1979-89, tank exports alone yielded $2.5 billion. Over 80 percent of the arms were sent to the former Soviet Union.

The disintegration of the Council for Economic Mutual Assistance and the dissolution of the Warsaw Pact spelled the end of the "golden times" for our arms industry. As a consequence of the imposition of a UN embargo on Iraq, Libya, and Serbia, the arms-producing factories have lost hundreds of millions of U.S. dollars. Sejm deputies have recently been trying to force the idea

of suspending the negative list, which, according to the arms-industry enterprises, is too long. It includes countries not found on the UN embargo list, such as Burma, Somalia, Afghanistan, El Salvador, Mozambique, Sudan, and Taiwan.

Polish arms are no longer playing a major role on world markets. According to the Stockholm-based Peace Research Institute (SIPRI), Poland's share in the world arms trade does not exceed 1 percent. Former "fraternal armies," which once received a large portion of our products, now have arms surpluses of their own.

Arms Industry to Civilian Life

Arms-producing enterprises could not endure such a sudden and drastic limitation of their markets. Currently working for the Army are 31 companies that have acquired special status. They are burdened with the task of maintaining the defense reserve (RO) in the event of a war, as well as the production of equipment to meet current needs and—most willingly—for export. The other factories must switch over to production for the civilian market. This task is also imposed on the enterprises of the "thirty." Easier said than done, the directors of the companies say. The factories do not have enough money for investment in the civilian sector of production; however, some of them get on somehow.

The Mesko factory in Skarzysko-Kamienna manufactures, aside from ammunition and rocket missiles, light agricultural machines and electric-light fixtures, among other products. The Machine Enterprises in Tarnow, aside from small guns and heavy machine guns, produces machine tools and cooling aggregates, also for the civilian market. The Kasprzak Radio Company, in addition to military electronics, also manufactures cassette recorders and radios. To maintain a given company's positive earning capacity, production for the civilian market in arms-producing factories should constitute approximately 60 percent, whereas military production, along with RO, no more than 40 percent. The snag is that most of the arms industry companies do not have appropriate technologies that would allow them to manufacture "civilian" commodities competitive as far as their quality is concerned.

In most of the companies, adjustment of the production volume to the volume of orders and limitation of manufacturing capacities resulting from the lack of demand for the "civilian" products, often entail considerable limitations in employment. For example, in the Machine Enterprises in Tarnow, only some 900 workers will remain, out of the 2,400 working there now. This is at least what is suggested in the program of restructurization and conversion prepared at a cost of 690,000 German marks by the German company Cognos AG and the Institute of Organization and Management in Industry (ORGMASZ).

The arms industry is not guaranteed any social protection for the laid-off employees; therefore, it is hard to predict the course of practical implementation of the program of conversion to civilian production.

The Department of Defense Affairs in the Ministry of Industry and Trade has not revealed the expected costs of conversion of the defense industry as calculated for the entire industry branch. The scale of the financial needs is shown in the estimated data concerning the costs of the implementation of the program of restructurization and conversion in Tarnow. ORGMASZ estimates that this company will require approximately Z2 trillion. Similar sums are also needed by other plants. However, it is no secret that there is no money in the budget.

Poor Ministry of National Defense]

Over the past four years, the volume of Polish Army orders for the industry's products has decreased four times. Even though, during that time, the manpower of the Polish Army has decreased from 500,000 to fewer than 300,000, some experts say that the decrease in expenditures was relatively much larger than the reduction in manpower.

In 1990, MON [Minstry of National Defense] spent Z13.8 trillion (in comparable prices) for new equipment and technical outfit. In 1993, the ministry could allocate for this purchase only Z3.4 trillion—that is, approximately 74 percent less.

This year's budget envisions Z47.1 trillion for MON. It was assumed that no more than Z4 trillion can be spent for purchases. In practice, this means several Orliks and approximately 10 Hard tanks. The purchae of two modern MiG-29 fighter planes, of which we have too few to be able to defend ourselves effectively, would cost us approximately Z1.5 trillion.

To a Superior Instance

MON, whose budget is less than modest, has not yet put in its full orders for 1994. The lack of orders from the Army, which made it impossible to begin the production process, was the indirect reason for the protest of union activists of the arms industry (staged on 6 May—the demonstration on the streets of Warsaw). Military officials who were present at the meeting with unionists at Skarzysko-Kamienna in early May of this year promised that 100 percent of the orders would have come to the factories by the end of this May.

The unionists also demand that the costs of maintaining RO from 1990 to 1991 (several billion zlotys) be returned to them; more specifically, they want the government to compensate the mutual debts of the arms industry, the budget, and the Social Security Agency. In 1992, the government earmarked approximately Z1 billions for RO; in 1993, a little more. The arms-producing factories claim that they must pay for the state's security with the money from their own, empty pockets. The arms industry merely managed to obtain compensation

for the losses incurred as a consequence of the imposition of an embargo by the United Nations on Iraq and to retrieve some of the money for the equipment sold to the former Soviet Union.

Some more desperate factories, with a view to retrieving the money they lost through exports to the former Soviet Union, decided to sue the Government of Poland. In early March of this year, the Warsaw Rawar company won a trial case against the Office of the Council of Ministers [URM]. The company demands that the government give it back Z125 trillion, which Rawar lost after the Bielecki government broke the contracts with the Russians. URM has appealed the ruling.

Chebeleu on Domestic Issues, Ties With Hungary

AU1305193594 Bucharest Radio Romania Network in Romanian 1800 GMT 13 May 94

[Text] During today's news conference at Cotroceni Palace, Presidential Spokesman Ambassador Traian Chebeleu made several remarks on the open letter addressed to President Ion Iliescu by the Liberal Party '93 [PL'93] containing allegations against cabinet ministers. He pointed out that, in the absence of a law on ministerial responsibility, one cannot talk of legal proceedings unless proof can be supplied that a legally envisaged crime has been committed. Chebeleu said that the delay in submitting a law on the budget, due to objective conditions, cannot be considered a crime; therefore, one can only talk of political responsibility, at best. However, it is up to the Parliament to examine these aspects.

The presidential spokesman also denied rumors according to which the relations between President Ion Iliescu and Chamber of Deputies Speaker Adrian Nastase have become cooler. He said that the current slander campaign against Nastase is politically motivated and aimed at weakening the government party.

In answer to another question, Chebeleu reiterated the hope that, after the elections in Hungary, the new government will adopt a realistic approach toward bilateral relations, thus removing the artificial tensions that have emerged in recent years.

PSM, PRM Reportedly Agree on Candidate

AU1805111894 Bucharest ROMANIA LIBERA in Romanian 16 May 94 p 3

[Report by Coriolan Hancu: "If the Greater Romania Party Leader Is Not in Prison in 1996, He Will Run for the Presidency"]

[Text] Today will be a difficult day for Ilie Verdet, chairman of the PSM [Socialist Party of Labor]. This is because during today's news conference by his socialist, former nomenclature, comrades he might be subjected to an avalanche of questions reminding the PSM leader that not so long ago—at the time when the Tudor Mohora-Adrian Paunescu duel had not yet been won by the latter—he had stated: "There is no such thing as a National Bloc and I will conclude no agreements with Corneliu Vadim Tudor [chairman of the Greater Romania Party—PRM]."

Among other things, the secret pact concluded last week by the two parties, which consecrated the defeat of the Mohora faction and caused dissatisfaction among the members of the two parties, also comprises a joint project intended for the future: According to this, PSM and PRM should support a joint candidate in the next presidential elections, a person that conforms with the interests of both parties. The leaders of PSM and PRM concluded that pact, hoping that in Romania, in the same way as in Poland and more recently in Hungary, the possible early elections will be won by the Communists, that is, by them, because the ideologies of the parties they lead are parts of the red doctrine. However, Ilie Verdet and Corneliu Vadim Tudor seem to ignore the fact that so far Romania has been run solely by the former nomenclature.

Regarding the candidate to the presidency the two parties envisaged for the 1996 presidential elections, he is, according to rumors, none other than the "tribune" himself [Corneliu Vadim Tudor]. Of course, only if by the time the elections are held he is still at large (he currently faces a total of approximately 200 legal suits.)

However, the PDSR [Social Democracy Party of Romania] will certainly take all necessary measures to ensure that when the time comes, the Communists all over the country should favor one candidate alone to the supreme office in the state, namely Ion Iliescu.

Court Repeals 'Unconstitutional' Law Articles

AU1705185294 Bucharest Radio Romania Network in Romanian 1300 GMT 17 May 94

[Text] We received by fax the following communique from the Constitutional Court:

Today the plenary meeting of the Constitutional Court discussed and pronounced on the constitutionality of the following laws:

Law on the Organization and Functioning of the Romanian Radio Broadcasting Company and the Romanian Television Company: Noting that the provisions of Article 52, Paragraph 2 of the law run counter to the constitutional regime of control exerted by Parliament on the public administration—since they ignore the preparatory nature of the activity carried out by the parliamentary commissions, in their capacity as working bodies of the chambers to which they belong—the Constitutional Court declared these provisions as unconstitutional.

Law on the Agricultural Income Tax: The Constitutional Court noted that the dispositions of Article 22 of the law, which are to become valid as of 1994, are unconstitutional, since they violate the constitutional principle of the retroactive nature of the law. Consequently, it was decided that, within the procedure of reexamining the law, one should correlate the deadlines envisaged by Article 5 and Article 9 of the law with the actual date of the law's validation, in case Parliament decides that the law should be implemented this year. Regarding the uncultivated fields referred to in Article 2, Paragraph 2 of the law, the text was declared constitutional only to the extent that it does not apply to uncultivable fields. The stipulations of Article 1, Article 8, Paragraph 1, and Article 16 of the same law were declared constitutional.

Law on War Veterans and Certain Rights of War Invalids and Widows: In view of the provisions of Article 16 Paragraph 1 of the Constitution regarding the equal

rights of citizens, the Court declared Article 2, Letter B—dealing with the requirement that the claimant should not have fought against the Romanian Army—as unconstitutional, since the recruiting and mobilization of the individuals mentioned by the text of the law were compulsorily done in the Romanian territories temporarily occupied during the 1940-1945 period. By virtue of the same principle of all the country's citizens being equal before the law, the Constitutional Court declared Article 2, Letters A and C as well as Article 7, Letter B, Thesis 1—which define the quality as war veteran—as unconstitutional.

In the same session, the Constitutional Court put the final touches to the examination of the constitutionality of the rules of the Chamber of Deputies and Senate and pointed out the provisions that run counter to the Constitution. After the Court's decisions are edited, they will be published in MONITORUL OFICIAL, Part 1.

Egon Klepsch Addresses Session of Parliament

AU1705153094 Bucharest Radio Romania Network in Romanian 0914 GMT 17 May 94

[Speech by European Parliament President Egon Klepsch to a joint session of the Romanian Parliament in Bucharest on 17 May—live; Klepsch speaks in English with simultaneous translation into Romanian]

[Text] President of the Senate, President of the Chamber of Deputies, members of both houses of the Romanian Parliament, ladies and gentlemen:

It is a great honor and pleasure for me to be able to be here with you on the occasion of my official visit to Romania. On behalf of all my colleagues in the European Parliament, I thank you most warmly for your invitation. When I assumed my function as president of the European Parliament in January 1992 I knew that it would be impossible during my two and a half years mandate to visit all the countries with which the European Union enjoys positive European links. Nevertheless, I was determined to visit Romania. The European Parliament follows closely the relations with all countries neighboring the European Union and mainly those in Central and East Europe. Romania is no exception. Since the crucial events of 1989 and 1990 the policy of the countries in the European Union and the efforts of their governments and parliaments and especially of the European Parliament have been directed toward establishing and building a new political and economic structure in Central and Eastern Europe, the Baltic countries, and the CIS.

Developing, improving, and deepening economic and trade relations between the European Union and these countries has acquired a particular importance in 1994. On their part, the countries that were previously locked under Soviet domination in the CEMA [Council for Mutual Economic Assistance] and the Warsaw Pact now have the freedom to devote all their efforts to confront the challenges that the current situation presents. The architecture of East-West relations are generally characterized by a new spirit of cooperation. The days of isolation, confrontation, and mistrust are over. There is a determined political will of both sides to create relations based on friendship, partnership, and mutual respect. I hardly need to remind Romania, of all countries, how difficult and painful is the transition from the communist regime to a peaceful multiparty democracy and from decades of planned economy to a social market economy. This takes time, much patience, and great efforts.

Romania in particular is confronted with great challenges and tries to implement reforms and at the same time to take care of the painful legacy of the past and the current social and political realities.

The progress you have already made, in spite of all obstacles, deserves recognition and respect. The progress that you have yet to make deserves our understanding, support, and encouragement. This is why I said that I believed that it is important for me to come here to Romania, learn about your preoccupations first hand, and assure you of the European Parliament's continuous support for your efforts to try and take your rightful, integrated place in the European family.

Your history is European and I am convinced that Romania's future is also linked to Europe. I am equally convinced that Romania and its people wish to confront challenges and wish to attain their goals. On its part, the European Union has recognized that it must find appropriate ways and means to help bring the European countries closer together in a broader association. This is where association agreements intervene. The association agreement signed between Romania and the European Union is a significant step in the right direction. Its realistic aim is to offer realistic assistance and support for the future, which is necessary for restructuring and which enables the creation of conditions for full integration.

Over and above economic and trade policy aspects, the European accord has a new special characteristic that is mainly a political accord and dialogue on several issues. It supports the fundamental principles of democracy and human rights that each country that wishes to be associated closely to the Europe must pledge to respect. The European Parliament takes its responsibility and its role very seriously as far as restructuring of relations with the European Union and with the countries in the Central and Eastern Europe are concerned. As far as all the accords concluded with Central and Eastern Europe are concerned, we have made a very close and critical assessment of the results of relations between the European Commission and Romania. After a thorough debate and a serious assessment, we approved the European accord with a great majority, while being perfectly aware of the implications.

Our parliament was the first parliament of the European Union which ratified the agreement with Romania.

Since then, we put pressure on other parliaments in Europe as well, to follow our example. Delays in the ratification can only hinder those who must support this agreement. All European agreements mean much more than trade and financial assistance, no matter how important these aspects are. Full association also involves cooperation at social, political, and cultural levels. In this respect, the European Parliament grants special attention to its formal and informal relations with the parliaments of the countries in question. We look forward to achieving the establishment of the Joint Parliamentary Committee that is stipulated in the association agreement with Romania. Following one of the existing European delegations [words indistinct] in relations with Albania, Bulgaria, and Romania, I am sure that this new structure will offer an extremely valuable forum for continuous discussions and for an increased mutual understandings between the two parliaments. The integration process [words indistinct], a strong European Union from the economic and political point of view, will be able to offer the countries in Central and East Europe the support that they need in order to achieve long-term economic stability and political security.

The European Union has its own internal difficulties which generally appear on the road of a stronger integration. In spite of these internal problems that we have, to be a full member is an attractive proposal for those outside of it. On its part, the European Parliament has consistently spoken out for enlargement. This month, in our last session that we had before the European elections, we took a historical step, we cast a vote in favor of enlargement of the Union in order to include our friends from Norway, Sweden, Finland, and Austria. This was a vote that confirmed the capacity of the European Parliament to answer with significant responsibility all the membership applications. Likewise, it confirmed our sincere commitment toward the principle of enlargement. At the same time, the European Parliament welcomed the decision taken by the Council of Europe on 22 June 1993 in Copenhagen, where the heads of state and governments showed the possibility for participation in the European Union of those countries in Central and Eastern Europe that signed or will sign association agreements. Provided that certain conditions are fulfilled and the progress the Parliament asked for reported, we see that there is a possibility for a further enlargement, which is an positive act and which consolidates the European Union.

The guiding principle in the geographic expansion of the Union should be accompanied by a corresponding process of establishing especially fundamental institutions. In order to be eligible for membership, those who submit the request have to fulfill a number of fundamental conditions, which are the following: a state based on freedom and the rule of law, a pluralistic democracy, a functioning social market economy, and the willingness to give up sovereignty [as heard]. In addition to these four basic fundamental preconditions, the following conditions are also necessary: adoption in full of the [words indistinct] the existing body of the community legislation, which came into force through the Rome treaty and [word indistinct] and adherence to the Maastricht treaty and all its objectives, which also includes the political goals of the treaty.

History has taught us that the road forward must be through cooperation and integration and not through confrontation and separation. It is completely in our interest to cooperate with those who share our fundamental values of democracy, tolerance, and mutual respect. We should build structures that will allow us to achieve our joint goals, long term peace, and prosperity.

Reaching the necessary agreements for stability with Central and Eastern Europe and Russia and the other countries in the CIS, Baltic states, and the Balkans is a precondition to create a new, broad European security structure. Only if we achieve this objective will it be possible to ensure that crises and wars like the one in the former Yugoslavia will not happen again.

Our Parliament has welcomed the initiative taken by the heads of states and governments to move toward a European agreement regarding stability in Europe. The goal is to prevent tension and potential conflicts in Europe, to consolidate borders, and solve the problems of minorities in a spirit of tolerance and cooperation.

Romania occupies a particularly sensitive geographical and strategic position, which is far from stable. Because of this, you have suffered directly from the negative economic effects of the terrible conflict in the former Yugoslavia. Also due to its position, your country could make a significant contribution to stability and peace in this region. Therefore, we noted in connection with Romania that it was the first of many countries that decided to accept Partnership for Peace made by the NATO and the Western Alliance at its January meeting. The engagement of Romania in this respect is clear and I congratulate you on it. The current conflicts in Europe and in other parts of the world demonstrate without any doubt that long-term peaceful coexistence and mutual cooperation is not possible unless the principles of tolerance, democracy, and respect for human rights are applied and are preserved throughout the world. The architecture of Europe will necessarily change to an ever greater extent as we are advancing toward a greater integration, a greater political union, and a more comprising enlargement. However, in spite of these changes, these fundamental principles and our commitments must remain firm. The future of Europe will ultimately depend on the success of our strivings. I am confident that Romania shares this commitment. I am sure too, that there is a political will in your country to make the necessary steps and to ensure that the future of Romania and of its people will be one of peace, democracy, and prosperity in the heart of an integrated Europe. You may rest assured that the European Parliament supports you and encourages you in achieving this goal. I can tell you, Europe needs Romania but certainly Romania also needs Europe. Thank you for your attention. [applause]

Iliescu, Cosea Receive Klepsch

AU1705185694 Bucharest Radio Romania Network in Romanian 1700 GMT 17 May 94

[Text] Romanian President Ion Iliescu received European Parliament President Egon Klepsch at Cotroceni Palace this afternoon. During the meeting President Ion Iliescu briefed the guest on the current stage and future prospects of the reform process and on the efforts to implement the reform program. At the same time, the sides exchanged views on the prospects for settling the conflict in former Yugoslavia and consolidating security in the Balkans. In his turn, the guest positively assessed the progress made of late by Romania and emphasized the efforts of all forces toward integration in the European structures.

Klepsch also had a meeting at Victoria Palace this afternoon with Mircea Cosea, minister of state and chairman of the Council for Economic Coordination, Strategy, and Reform. The Romanian minister briefed the guest on the progress of reform and the economic and financial measures which have enabled Romania to fulfill the conditions stipulated in the stand-by agreement with the IMF.

I answered the invitation to come to Romania to prove that we, the European Community, are very interested in relations with your country, Klepsch said at the opening of a news conference organized at the Senate headquarters this afternoon. He said that our country has a particular importance as far as ensuring regional stability is concerned. The president of the European Parliament appreciated the fact that the political structures in Romania have stabilized and that, after the signing of the treaty on our country's association with the European Community, relations between the European Parliament and the Romanian Parliament can further develop.

Klepsch positively assessed the quality of the talks he conducted during his two-day visit to Romania and focused his attention on his meetings with the leaders of political parties and with various parliamentarians. There is a particular consensus on your country's European integration, Klepsch said. Regarding the problem of minorities, he appreciated the valid legal provisions extant in our country and emphasized that all that is left to be done is to implement them.

Answering a question, the president of the European Parliament said that it is very difficult to make a precise forecast about the date of Romania's admission to the European Union. Everything is up to Romania, he said, according to our reporter Victor Spirache.

Karadzic-Owen-Stoltenberg Talks Assessed

LD1705221594 Belgrade TANJUG Domestic Service in Serbo-Croatian 2128 GMT 17 May 94

[Text] Zvornik, 17 May (TANJUG)—Radovan Karadzic, president of the Serb Republic, and David Owen and Thorvald Stoltenberg, cochairmen of the Conference on Former Yugoslavia, had talks in Zvornik this evening. Their talks focused on the Geneva meeting between the ministers of foreign affairs of the United States, Russia, and the European Union, and the work of the contact group for former Bosnia-Herzegovina. According to a report broadcast this evening on the Serb TV-Sarajevo Studio, the Serbian side presented to the cochairmen its views on the resolution of the Bosnia-Herzegovina war and told them that the Muslims were continuing their spring offensive. The talks, which were also attended by Momcilo Krajisnik, president of the people's assembly of the republic of Srpska and Nikola Koljevic, vice president of the republic of Srpska were assessed as being very important and useful for the continuation of the peace process in former Bosnia-Herzegovina.

Izetbegovic Demands NATO Adhere To Resolutions

AU1705191394 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 17 May 94

[Text] Considering the obvious increase in tensions around Sarajevo in the past few days, we have looked at the provisions of the NATO ultimatum of 10 February this year to see under what conditions the ultimatum is applicable, and came to the conclusion that the current situation is unsatisfactory. This was stated in a letter that Alija Izetbegovic, president of the Presidency of Bosnia-Herzegovina, today sent to UN Secretary General Butrus Butrus-Ghali, chairman of the Security Council, and Manfred Woerner, secretary general of NATO. Although more than three months have passed, heavy weapons have not been completely withdrawn from around Sarajevo, nor have they been placed under UNPROFOR [UN Protection Forces] control, President Izetbegovic writes.

According to the information of the state leadership of Bosnia-Herzegovina, the aggressor still has one tank in Zlatiste, one 122-mm gun in the Ilijas area, and one tank in the Busile area. In Hadzici, the enemy has one tank and two antiaircraft guns. In Grbavica, it has one tank, two armored personnel carriers, and two (?three-barrel) antiaircraft guns. The Serbs have another tank in Vojkovici. Regarding enemy weapons in Vogosca, there are still two antiaircraft guns, one mortar, and one hill gun there.

Since the responsible officials in UNPROFOR are aware of this situation, President Izetbegovic continues, but are not doing anything against the aggressor apart from issuing appeals and pleas, we ask ourselves whether the Security Council resolution is binding for them and whether they are empowered to carry out their private policy and personally assess what should and should not be done.

No one has the right to play with the security of the town that has suffered so much and with the lives of its residents. Therefore, we expect the measures needed to put the situation in the Sarajevo exclusion zone in order to be taken without delay. This was stated in a letter that President Izetbegovic has sent to the UN secretary general, the chairman of the Security Council, and the secretary general of NATO.

Izetbegovic Accompanies Pilgrims to Mecca

AU1705150194 Paris AFP in English 1316 GMT 17 May 94

[Text] Sarajevo, May 17 (AFP)—Bosnian president Alija Izetbegovic led 360 Moslems from Sarajevo Tuesday [17 May] on a Saudi-financed pilgrimage to the Islamic holy city of Mecca. The pilgrims left Sarajevo for Zagreb on two separate flights aboard a Ukrainian UN plane. They were to be joined in the Croatian capital by 120 more Moslems for the flight to Mecca on planes provided by the Saudi Government.

Assembly Session To Elect President 30 May

AU1705193594 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 17 May 94

[Text] Mariofil Ljubic, chairman of the Constituent Assembly of the Federation of Bosnia-Herzegovina, has convened a session of the Constituent Assembly of Bosnia-Herzegovina for 30 May this year. In accordance with the Constitution of the Federation and the Vienna agreement, the constituent session will adopt several acts from the sphere of competence of the Constituent Assembly. At that session, the deputies will also elect the president and vice president of the Federation of Bosnia-Herzegovina in the transitional period. The Constituent Assembly will begin work at 1100. After that session, on the same day the Assembly of the Republic of Bosnia-Herzegovina will hold its session.

NATO Planes Buzz Tuzla After Shelling by Serbs

AU1705172994 Paris AFP in English 1711 GMT 17 May 94

[Text] Tuzla, Bosnia-Herzegovina, May 17 (AFP)—NATO warplanes buzzed Tuzla Tuesday [17 May] at UN request after Bosnian Serbs shelled the Moslem city's airport, but the aircraft did not open fire, a UN spokesman said. UN Protection Force spokesman here Jen Kirk did not specify how many planes took part in the operation. He said the planes were called in at 2:00 p.m. (1200 GMT) after seven shells hit the airport of the northern Bosnian city while the first plane to arrive in a month was being unloaded. No one was injured in the shelling.

Ukrainian UN Soldier Killed Near Gorazde

AU1805111694 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1000 GMT 18 May 94

[Text] One Ukrainian UN Protection Forces [UNPROFOR] soldier was killed in the vicinity of Gorazde last night, Eric Chaperon, spokesman for the peace troops in Sarajevo, has stated. He said that a sniper opened fire at the Ukrainian, who [word indistinct] UNPROFOR positions, south of the 3-km exclusion around Gorazde.

UN Spokesman: Army 'Offensive' Worsens Situation

LD1705204994 Belgrade TANJUG in English 1951 GMT 17 May 94

["Pool" item]

[Text] New York, May 17 (TANJUG)—United Nations spokesman for peacekeeping missions Fred Eckhard said on Tuesday that the situation in central Bosnia-Herzegovina had considerably deteriorated as a result of offensive actions of the Bosnian Moslem forces on Serb positions. Bosnian Moslems have been attacking for days Serb positions on Mount Ozren east of Doboj, Mount Vlasic north-west of Travnik and Mount Majevica near Tuzla in north-eastern Bosnia. Cease-fire was also violated by intensified sniper fire and fire from other weapons in Sarajevo while in other parts of Bosnia the situation is more or less normal, only with sporadic clashes, Eckhard told reporters.

At the ministerial meeting of the United States, Russia and the European Union in Geneva on Friday, the participants asked Bosnia's warring sides to stop fighting for a period of four months. The Serb side accepted the proposal but said it preferred a permanent truce while the Moslem leadership rejected it. Eckhard said that about eight shells had been fired on Tuzla airfield during the landing of an UNPROFOR [UN Protection Forces] plane which carried equipment for locating mortar positions and which will be positioned around the Moslem-controlled town of Tuzla and Brcko, a Serb town in northern Bosnia around which the Moslem side has been massing troops lately.

No casualties were reported in the attack, said Eckhard and added that the shells were believed to have come from the Serb side. While the Moslem offensive is escalating, the U.S. media is almost completely ignoring it, which is evidently the old recipe of never mentioning Moslem assaults so that a possible Serb counter-attack could be later presented as an "act of aggression."

Such a scenario was applied in the case of Gorazde, where the Bosnian Serb Army in March stopped a Moslem offensive—launched from the U.N.-proclaimed "safe area" which should have been demilitarized last year—and pushed back the Moslem forces towards the centre of Gorazde in a counter-attack.

Serbs: Muslim Forces Attacking Sarajevo Front

LD1705201694 Belgrade TANJUG in English 1850 GMT 17 May 94

[Text] Sarajevo, May 17 (TANJUG)—The Moslem forces on Tuesday [17 May] launched mortar and anti-aircraft attacks on Serb positions and settlements in the Sarajevo front, Bosnian Serb military sources have said. The sources said that in the Ilijas area the Moslems fired 82mm mortars on Serb positions, and opened anti-aircraft fire on the Krcevine region from the Visocica area. In the Ilidza part of the Sarajevo front, the Moslems attacked from the stojcevic region on the Luzani settlement and Serb positions in the area of the forestry school and the Vrucci suburb. Moslem snipers on Tuesday opened fire from the direction of the Vojnicko Polje on Nedjarici, from the direction of Strupsko Brdo on Kasindolska street, from the right bank of the Miljacka river on Grbavica, and from the direction of Sokolje on the Rajlovac barracks, the Bosnian Serb Army sources said.

Serbs Accuse UN Unit of Fighting With Muslims

LD1705125494 Belgrade TANJUG Domestic Service in Serbo-Croatian 1145 GMT 17 May 94

[Excerpt] Zvornik, Bratunac, 17 May (TANJUG)—Resuming their offensive against the republic of Srpska, Muslim units are still using chemical weapons in the Majevica area where they have enjoyed UNPROFOR's military backing again, TANJUG learned today from republic of Srpska army sources. According to these sources, strong Muslim attacks in cooperation with UNPROFOR's Nordic unit continued against most Serbian defense positions on Mount Majevica, particularly against Serbian villages in the Stolice area. Muslim units again targeted Serbs with large caliber chlorine-charged shells in addition to artillery and infantry weapons. Serbian military sources pointed out that for the second consecutive day a part of UNPROFOR's Nordic unit continued to provide military back-up for the Muslim side. The same unit targeted the Serbs with tank fire yesterday, also using armored personnel carriers. [passage omitted]

Cease-Fire Violations 'Common' in Sarajevo

AU1705113494 Paris AFP in English 1110 GMT 17 May 94

[Text] Sarajevo, May 17 (AFP)—Cease-fire violations are becoming increasingly common in Sarajevo where frequent sniper fire was reported Tuesday, the UN Protection Force (UNPROFOR) said Tuesday [17 May]. UNPROFOR spokesman Rob Annink said shooting in the center of Sarajevo "has been steadily increasing" and was of great concern to the UNPROFOR and the country's warring factions which means those responsible "are probably uncontrolled" elements. He said Bosnian Serb troops targeted a French Gazelle helicopter

Monday as it was flying over Ilijas, some about 15 kilometres (10 miles) northwest of Sarajevo, but the pilot and crew were not injured.

Two armoured French vehicles were also targeted in the capital Monday. The shooting is in violation of a cease-fire agreement signed by Bosnia's warring parties in February after the North Atlantic Treaty Organization threatened air strikes. Annink said that elsewhere in Bosnia the military activity was centered near the northern town of Tuzla. He said UN military observers stationed in the region counted more than 80 explosions in various areas Monday. Mortar explosions were also reported in eastern and western Bosnia.

Serbs Report Muslim-Croatian Attack Near Brcko

LD1705210094 Belgrade TANJUG in English 2010 GMT 17 May 94

[Text] Brcko, May 17 (TANJUG)—Bosnian Moslem and Croat forces on Tuesday attacked Bosnian Serb positions in an attempt to cut off the Serb land corridor in the Posavina region near Brcko in northern Bosnia. Around 15:00 hours local time on Tuesday, Moslem forces fired 15 82-mm shells on Serb positions in Begovaca in the Brcko area, Bosnian Serb army sources said in a statement. The Bosnian Serb army did not return fire, it said.

Croat units in Orasje, Posavina, opened fire from anti-aircraft machine guns and anti-tank weapons on Serb settlements of Lesnici and Jenjici, the statement said, adding that the Serb side again did not return fire. Croatian and especially Moslem forces have massed heavily armed units around Brcko, a town which is situated in the narrowest part of the Serb land corridor linking the eastern and western parts of the Bosnian Serb republic. Moslem and Croat military commanders have announced an offensive on this part of the Serb corridor.

Earlier this month, Moslem forces launched artillery attacks on central Brcko, killing four civilians and wounding 15, which was confirmed by monitors of the United Nations Protection Force (UNPROFOR).

Refugees Flee 'Campaign of Terror' in Banja Luka

LD1705202294 Zagreb HTV Television in Serbo-Croatian 1730 GMT 17 May 94

[Text] Two hundred and fifty Croats and Muslims from the Serb-held Banja Luka region in northwestern Bosnia entered Croatia at a UN checkpoint near Nova Gradiska today. Twenty-one refugees proceeded to the Gasinici refugee center in eastern Croatia while the others will either leave for West European countries or stay with their relatives in Croatia. The refugees confirmed that the Serb authorities were carrying out a campaign of terror against Croats and Muslims in the Banja Luka area.

Komsic: Federation To Reintegrate Occupied Lands

AU1705201094 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 17 May 94

[Text] At the news conference of the Croatian National Council of Bosnia-Herzegovina, officials announced the founding of a commission for overseeing the implementation of the Washington and Vienna agreements between the Croatian and Bosniak peoples. This is currently the most important issue. The task of the commission will be constantly to meet to supervise the implementation of these Agreements' provisions.

Ivo Komsic, president of the council and member of the Bosnia-Herzegovina Presidency, spoke about other issues at the conference. He stressed that among the Croatian people there is a consensus on the implementation of the Constitution of the Federation. However, the problem lies elsewhere, in the interpretation of the essence of the Federation, Komsic said, immediately answering the question on what the Croatian National Council considers the essence of the Federation's organization and establishment: The Federation is not some final state of affairs set by the Croats and the Bosniaks in Bosnia-Herzegovina, but is primarily a [word indistinct] or a path toward the reintegration of all the occupied territories of Bosnia-Herzegovina. The Croatian National Council of Bosnia-Herzegovina will continue to interprete the Federation in this way, Komsic said.

On behalf of the council, Komsic invited the Serbian people in Bosnia-Herzegovina to join in with the agreements on Bosnia-Herzegovina as a common homeland, stressing that the Serbian Civil Council is the true representative of these people. He also repeated the view of the Croatian National Council, namely that the council opposes the corridor through Bosanska Posavina [in the Brcko region], because the corridor is not in the interest of the Croatian people as a whole.

Croats Urge Serbs To Join Federation

LD1705201494 Zagreb HTV Television in Serbo-Croatian 1730 GMT 17 May 94

[Text] At a news conference in Zagreb, the Croat National Council of Bosnia-Herzegovina [HNV] spoke of an initiative for the founding of a commission for monitoring the implementation of the Washington and Vienna agreements between the Croats and Muslims. The HNV also appealed to the Serb people in Bosnia-Herzegovina to join this agreement on Bosnia-Herzegovina as a state belonging to three equal nations, refrain from violence and ethnic cleansing, stop the war, and return territories taken by force.

Religious Figures Sign Declaration for Peace

LD1705223494 Belgrade TANJUG Domestic Service in Serbo-Croatian 2130 GMT 17 May 94

[Text] Sarajevo, 17 May (TANJUG)—Patriarch of Moscow and All-Russia Aleksiy II, Serbian Patriarch

Pavle, and Zagreb Archbishop Cardinal Franjo Kuharic, signed the Sarajevo declaration for peace at Sarajevo airport today. The declaration says:

It is high time to say that the nations in this area must no longer destroy each other and that such action aginst the life, rights, freedom and dignity of other nations is predominantly directed against one's own nation, against one's own grandfathers, fathers, sons and grandsons. It is high time one understood that it is only a peaceful and just solution of all conflicts and misunderstandings present in relations between nations in this area that can bring real happiness to people; their future will be salvaged only when we offer each other the possibility of living as we are accustomed and as our ancestors used to. It is time for us to recall that the present tragic conflict in the Balkans is a sin against every religion, because it is in no way compatible with any religious principles whatsoever. Taking advantage of religion for the sake of justifying hostility and divisions is an immoral and unlawful act.

True believing Christians and true believing Muslims are striving toward peace. This is their genuine desire and this is also in conformity with the Creator's commandments. And what can we do, we who believe in the one God?

We should and must pray and work and keep on believing that our prayers will be answered. We are also appealing to everyone in the world who believes in God to join us in our prayers for peace, and all those responsible for political decisions to re-examine their conscience before God and history. What will prevail and how can peace be attained?

May the Lord bestow peace, progress, wealth, and success in the pursuit of righteousness on all those divided today by deadly animosities.

Serbs Modify Rocket Systems for Land Forces

AU1705202894 Belgrade VECERNJE NOVOSTI in Serbo-Croatian 6 May 94 p 4

[Unattributed report: "Rockets From Honeycomb"]

[Text] The honeycombed rocket launcher, that was used as an airborne weapon until now, has recently been modified, and is successfully being used in land battles on many fronts in Bosnia-Herzegovina. The army of the republic of Srpska can boast more than two years of war experience, and during that time the effectiveness of many kinds of weapons has been actually tested in battles, while many weapons have been modified and adjusted to meet some practical demands. Although the military textbooks strictly proscribe the use of certain weapons, experience has shown that innovations are always welcome.

A photograph taken by REUTER news agency several days ago at Serbian positions near Brcko shows four of these honeycombed rocket launchers (normally used as an airborne weapon) installed on a truck, and used for shelling targets on the ground. This mobile rocket launcher of middle-ranging destructive power, the modified version, contains 48 shells in one charge.

This rocket launcher has the greatest effect if it is used in combination with other standard artillery weapons and rocket systems, in fighting across wide front lines, where the distance from the enemy is relatively short. Its range is only several kilometers, but the effect is great because a great number of rockets disperse over a wide area over a rather short period of time. The rockets are neither guided, nor self-guided, but this does not diminish their effect in any case, because of their wide dispersion. Compared with other similar weapons, the destructive effect of the honeycombed launcher approximates to that of the Osa rocket launcher, but the difference is that its one charge contains 48 times the number of rockets in a charge of the Osa.

The honeycombed launcher's firing system is electrically activated, and it is possible to activate several launchers linked together on the same platform at the same time. The recharging is done relatively simply and quickly, but in order to achieve that at least four gunners are necessary.

In the former Yugoslav People's Army [JNA] the honeycombed rocket launcher was a part of the equipment of almost all fighter aircraft: the Jastreb, the Galeb, the Super Galeb, the Orao, and the MiG-29. It was also installed in MI-8 transport helicopters. These launchers were also used against ground targets. In the storehouses of the JNA in the former Bosnia-Herzegovina a great quantity of such launchers were deposited, and in the course of time they have been modified quite successfully, and are now being used for fighting on the ground. At the beginning the launchers were manufactured in the former Soviet Union, but it was quite a long time ago that the manufacture was taken over by Yugoslav arms factories.

HDZ Insists on Dismissing Assembly Speaker

LD1705122594 Zagreb Radio Croatia Network in Serbo-Croatian 1100 GMT 17 May 94

[Text] At about 1300 the Croatian Assembly's House of Counties continued its work following three breaks and a meeting of the chairmen of the deputies clubs. The deputies are still debating the agenda. Throughout the session the Croatian Democratic Union [HDZ] club of deputies explicitly demanded that all issues on the agenda be dropped except for the one relating to a proposal to recall House of Counties Speaker Josip Manolic.

The opposition representatives held a different view. They insisted on the original agenda, including the current affairs hour during which government representatives were to answer questions raised by deputies. The vice president confirmed that the government was in agreement with the demand of the HDZ club of deputies and that it had withdrawn all parts of the draft legislation included in the agenda.

During the debate the president of the House of Counties called on Vice President Damir Zoric to preside over the rest of the session. In conclusion, 12 assembly committees are preparing tomorrow's session of the Croatian Assembly Chamber of Representatives.

Chamber Cancels Session

LD1705145894 Zagreb Radio Croatia Network in Serbo-Croatian 1300 GMT 17 May 94

[Text] We have just received a report from the Croatian Assembly Secretariat that Stipe Mesic, president of the Chamber of Representatives, has decided to postpone the 18th session of the Chamber of Representatives, which was scheduled for tomorrow morning. In his brief statement Mesic says that his decision is motivated by the fact that at today's session of the House of Counties, Deputy Premier Vladimir Seks said that the government agrees with the Croatian Democratic Union [HDZ] proposal to withdraw draft legislation items on the proposed agenda of the House of Counties from the current procedure. Since this proposal also includes some legislation which should be first discussed by the House of Counties [words indistinct] he will call the next session of the Chamber of Representatives in writing.

Tudjman, Opposition Discuss Parliament Changes

AU1705134094 Zagreb VJESNIK in Serbo-Croatian 17 May 94 p 3

[HINA report: "Interparty Agreement Possible"]

[Text] Zagreb—At the invitation of Croatian President Franjo Tudjman, a meeting of the presidents of the parliamentary parties and the presidents of the independent clubs of deputies was held on Monday to discuss a proposal of the Croatian Democratic Community [HDZ] regarding the need for the election of new chairmen of the Sabor chambers, bearing in mind that Stipe Mesic and Josip Manolic had left the majority party (HDZ) and formed their own party of the Croatian Independent Democrats (HND). They discussed the need for changes in the parliamentary commissions in light of the newly emerged party breakdown of the Sabor, the bureau of the president of the Republic has reported. The only person not to turn up at the meeting was HND President Stipe Mesic.

The representatives of the parties agreed on the need to resolve the highlighted problems in a democratic manner, in observation of the rules of the statute and the rules of procedure, and if possible, with an interparty agreement. It was, thus, agreed to continue the consultations, is stated at the end of a statement by the bureau of the president.

Manolic, Mesic View Political Situation

AU1805104794 Zagreb VJESNIK in Serbo-Croatian 17 May 94 p 2

[Report by Aleksa Crnjakovic on a news conference by Stipe Mesic and Josip Manolic with foreign and domestic correspondants preceding the Assembly session in Zagreb on 17 May: "The HND Proposes That the Discussion on the Replacement of Assembly Figures Be Postponed"]

[Excerpts] Claiming at the very beginning that the upcoming assembly session would be a routine one, despite the desire for creating an illusion of the Parliament activities being obstructed, Chamber of Representatives President Stipe Mesic and House of Counties President Josip Manolic answered many open questions at the news conference held just before the assembly session. There is great interest in the upcoming session, as the most topical issues, from relieving Josipa Manolic of his duties and appointing a new president of the House of Counties, to the alleged demand for the resignation of Defense Minister Gojko Susak and Minister of Culture Vesna Jurkic Girardi, are on the agenda.

President Manolic reminded him that the HDZ [Croatian Democratic Community] wanted to relieve him of his duties as president of the Chamber of Counties very quickly. He also reminded of the reasons for founding the HND [Croatian Independent Democrats], stating that was what changed the political balance of powers in the Assembly and the political scene in Croatia. Manolic claims that the opposition was thus strengthened as a whole, which was the main goal. The unsuccessful attempt at replacing him started the parliamentary crisis, said Manolic. A resolution can occur either through an agreement of all those involved in the crisis, or by holding preterm elections, which would not suit anybody.

"We have managed to carry out a differentiation process both within and outside the assembly, we have strengthened the position of the entire opposition, and partly managed to break the monopoly of one party and one

man. We want the party that has had the monopoly until now to continue the differentiation process. We accept the challenge. We want to form our own club and to be entitled to the same rights in conducting talks."

Manolic also told the reporters that the HND had proposed to the HDZ that the item relating to replacing the presidents of the two parliament chambers be taken off the agenda so that any possibility of obstructing the activities of the parliament and the expensive marathon-like sessions are avoided. The HND further proposed to put the item on the agenda in 15 to 20 days, but only after the agreement of all the parties on the redistribution of all the important positions is reached. Manolic predicted that there would be "pulling and pushing" about this issue if the HDZ does not accept the proposal.

Seks' Threats

In the introductory part of the news conference, Manolic repeated his statement that certain representatives were pressured and seriously threatened. He quoted the words of Vladimir Seks, spoken in Vinkovci: "Croatia does not have capital punishment, but we will take Manolic and Mesic's heads off." " Why are there threats and on whose behalf? The times of a one-party state are behind us, and the time of real parliamentary decision making is ahead of us. We will defend the autonomy of the assembly," said Manolic. He mentioned the non-democratic behavior during the forming of the State Tribunal, explained why some opposition representatives have been asking that discussions of topical issues, such as the resignations of Gojko Susak and Vesna Girardi Jurkic, and the teachers' strike, be held at the Assembly. "The Assembly can not neglect these problems," remarked Manolic.

He has asked that issues that were up until now untouchable, covered by the veil of "military secrets," be discussed at the assembly.

The questions of the reporters then followed.

[Zeljko Peratovic] Did you attend the party meeting at the Presidential Palace in the morning?

[Mesic] I was invited, but I did not know who it was that invited me, so I did not go. I had a short meeting with leaders of some opposition parties at the Assembly, and agreed with them that we had to discuss the new balance of powers after we founded the Club of the HND. I did not go to the meeting—I did not want to go before it was determined what Deputy President Seks said, why he openly threatened us. Such vocabulary becomes a traveling circus.

"What Resignation?!"

[VJESNIK] Why did you write a letter to U.S. congressmen, claiming that the Washington agreement is not being implemented, when the Vienna agreement had already been signed at that time?

[Mesic] The time we sent the letter does not match the time of the signing of the Vienna agreement. We sent the letter to point out that the arms embargo must be lifted, so that the people can defend themselves. We also pointed out that there were forces that want to prevent the implementation of the Washington agreement.

[VJESNIK] Which forces are preventing the implementation of the Washington agreement; did you discuss that with Mr. Galbraith?

[Manolic] At the time we sent the letter, a discussion had started in the U.S. Congress regarding the lifting of the arms embargo, which was during the time of the fiercest attacks on Gorazde, when the international forces were not capable of protecting the Muslims. We also asked that the embargo on Croatia be lifted, because that is the only way we can defend ourselves from the Serb agressor. President Tudjman said at a certain point that he opposed the lifting of the embargo, and he has not taken it back, although circumstances have changed.

[Dijana Rexhepi] When do you expect that a peaceful reintegration of the UNPA's [UN Protection Areas] will take place?

[Mesic] We want rule-of-law in Croatia, in which authorities are divided into three parts, in which European standards are applied, and in which every citizen will have guarantees that they will be protected.

[Sead Saracevic] You claim that the HND is the second most powerful party in Croatia. How would you account for that?

[Manolic] We are the number two parliamentary opposition party; 10 representatives have gone over to us. They claim that we have a stud of Trojan horses. They are not a stud; they are representatives who have names.

[Mesic] I would say they are thoroughbreads.

[Dejan Jovic] What positions in the Assembly would you demand for the HND? Which parties attended the meeting?

[Mesic] There is a new reality in the Assembly. Now we have to sit down and talk, but without previous conditions. We will not accept ultimatums. We want partnership, fair talks, and a gentlemen-like agreement. We talked to Savka Dabcevic-Kucar [president of the Croatian National Party, HNS], Drazen Budisa [president of the Croatian Social Liberal Party, HSLS], Djapic [leader of the Croatian Rights Party, HSP], Ivica Racan [president of the Party of Democratic Changes, SDP], and a HSS [Croatian Peasants Party] representative also attended, while some were not able to attend. We will meet for a discussion again, after the talks in the Presidential Palace are over.

The World Is Breaking Over Bosnia-Herzegovina

[REUTER] What does your criticism of the government relate to?

[Mesic] We have not criticized the government; the government has worked within the provided framework, and we support it. Our criticism relates to state politics, the policies toward Bosnia-Herzegovina in particular. The HDZ has responded to two historical challenges: getting out of the Communist-Bolshevist surroundings, and founding a state. Now the question arises what kind of Croatia we want. We want rule-of-law, in which everyone will be doing their job within the framework of the Constitution and the laws. We have encountered obstacles there. President Tudjman said that rule-of-law would function only when all the territories are liberated, and we think that rule-of-law can function in the liberated parts. When it comes to Bosnia-Herzegovina, we believe it should remain within its borders, and that the world should not violate the principle of inviolability of borders, as if this is done, the Serb Republic in Bosnia-Herzegovina could be annexed to Serbia and it could pull the occupied parts of Croatia along. At the time we were inferior in weapons, we opened the front with the Muslims too, although we had a common aggressor. The results of this policy are evident: tens of thousands killed and exiled, houses destroyed.

[Ingrid Badurina] What is your interpretation of the disunion in relation to the percentages of the territory that is supposed to belong to the Muslim-Croat Federation? In Vienna there was talk about 58 percent, while in Geneva 51 percent was being mentioned.

[Mesic] The international community must take efficient action that would make the third side realize what reality is, that is not allow that borders be changed through aggression.

[Manolic] The world is breaking over Bosnia-Herzegovina, and this is why this illogicality. However, that still does not mean that the Serbs will not find a place for themselves in the Federation.

[Olga Ramljak] You support legality, but you do not want the vote of no confidence to take place, although, in accordance with the procedure, the issue was put on the agenda. Why is that? Moreover, you have addressed the U.S. Congress, while you reproached others for doing so.

[Mesic] We have the right to address the international public if the Croatian people are in danger, and the arms embargo is disadvantageous to the Croat people. We are against measures being taken against Manolic only because he expressed his opinion. President Tudjman announced there would be proceedings before the Court of Honor because Manolic did not take back what he said, but while we were in the meeting, there was a phone call saying signatures were being collected. Manolic should have been given the chance to defend himself before the Court of Honor. It is to these methods that we object.

[Manolic] We have put the issue of the relieving the president of the Chamber of Counties on the agenda, but at the session we will propose that it be taken off the agenda if the proposer—the Club of the HDZ—accepts it. If it is not accepted, the session will be conducted according to the agenda. As far as the accusations, the "traitors addressing the world" are concerned, we have not accused Croatia, but the policy that has isolated Croatia from the rest of the world, led it into social unrest, and almost destroyed it.

"Kuna—a Concession to the Herzegovinian Lobby"

[REUTER] How much influence does the Herzegovinian lobby have on Croatian politics, and who is against the Washington agreement?

[Manolic] It is a large lobby. The Vienna agreement has provided answers to Gojko Susak's war aims. However, what is left of them? Tens of thousands of dead and exiled. None of these war aims have been achieved. We know in advance who will oppose the Vienna agreement: the same people who started the war against the Muslims.

[Jasmina Kuzmanovic] Allegedly, the decision was made that the kuna be introduced in Herzeg-Bosna too. Is that correct?

[Manolic] The kuna is a minor issue, although it is interesting that within one year the Law on the Croatian Bank Note has been changed twice. The decision on the kuna was made at the time of the greatest conflicts with the Muslims in Bosnia-Herzegovina, thus being a concession to the Herzegovinian lobby.

[Mesic] There is no mention of Herzeg-Bosna in the Washington agreement, and therefore there is no mention of the kuna being introduced either. That would not have been support to the implementation of the Washington agreement.

[Unidentified foreign correspondent] Will you disclose the names of the representatives who have become members of the HND?

[Mesic] Yes.

Granic Meets With Izetbegovic at Airport

LD1705190994 Zagreb Radio Croatia Network in Serbo-Croatian 1700 GMT 17 May 94

[Text] Mate Granic, deputy prime minister and foreign minister, met Bosnian President Alija Izetbegovic at Zagreb airport this afternoon. President Izetbegovic is on a stopover in Zagreb on his way to Saudi Arabia where he will be taking part in the pilgrimage to Mecca with 400 other Muslims from Bosnia-Herzegovina and Croatia. We discussed the implementation of the Vienna agreement, President Tudjman's visit to Sarajevo—which is expected to take place very soon—as well as various forms of cooperation between Bosnia-Herzegovina and Croatia, such as transport, trade and the power industry, President Izetbegovic said after the talks.

Minister Granic said that there were no longer any obstacles in the way of President Tudjman's visit to Bosnia-Herzegovina. He added that the exact date of the visit would be determined in a couple of days. Minister Granic said that the talks also centered on cooperation between Bosnia-Herzegovina and Croatia in the area of trade, as well as a joint approach to European integration, the system of security and succession. As far as the Washington and Vienna agreements are concerned, both sides have agreed that their implementation should be ensured as soon as possible, Minister Granic said.

Granic Upbeat on International Status

LD1705192494 Zagreb HTV Television in Serbo-Croatian 1730 GMT 17 May 94

[Excerpt] Croatia's international position has recently improved significantly—this conclusion was reached by Mate Granic, deputy prime minister and foreign minister, the Croatian ambassadors to the United Nations, the European Union, the CSCE, and the Council of Europe, and by members of the Foreign Policy Committee of the Croatian Parliament's Chamber of Representatives.

[Correspondent] The Republic of Croatia has never been held in higher international esteem, says Minister Granic. There are no serious pressures from foreign countries. We have completely adjusted our position regarding Bosnia-Herzegovina to that of the international community. The Washington agreement is the foundation for future relations between the Croats and Muslims. Now that the Vienna agreement has been signed, there are no significant obstacles to the establishment of the Bosnia-Herzegovina federation.

As regards the UN protected areas [UNPA's], the cease-fire agreement has been fully implemented by the Croatian side. We expect that the Serbian side will do the same. After that the talks on economic issues and, finally, on political issues should follow.

[Begin Granic recording] Our relations with Serbia are perhaps the only thing I would like to underline. If Serbia does not make its position regarding the UNPA's very clear, we will insist on the sanctions, in keeping with [UN Security Council] Resolution 871. There will be no meeting in Belgrade and I will not travel there until the agreed conditions are met. [end recording] [passage omitted]

Gligorov Views Relations With Neighbors

AU1705121894 Vienna DIE PRESSE in German 17 May 94 p 6

[Interview with Kiro Gligorov, president of The Former Yugoslav Republic of Macedonia, by Oliver Vujovic in Skopje; date not given: "'A Balkans War Always Was the Basis for a World Conflict'"]

[Text] [Vujovic] What is the balance sheet of your country's three years of existence since 1991?

[Gligorov] We achieved our independence by peaceful and legitimate means: by the referendum, a new constitution, and democratic elections. This independence has fulfilled the national dreams of entire generations. Our people fought for this for 150 years. But we live in a region where there is a war going on that led to UN sanctions against Serbia and Montenegro, and we have had an embargo imposed on us by Greece. These two things make it difficult for the Macedonian economy to develop. Our major connecting routes for people, goods, and capital have been interrupted. Our future lies in association with the European Union.

[Vujovic] Balkans experts fear that the conflict might spread to Macedonia [The Former Yugoslav Republic of Macedonia—FYROM].

[Gligorov] As long as there is a war in our region, there is obviously some threat. The Kosovo problem is also a danger to us. That is why we have called upon the United Nations to send us observers for preventive reasons. It has since emerged just how correct this measure was. But I would also like to point out that we are conducting a clear-cut policy: good relations with all our neighbors. Thanks to this policy we have hardly any problems with Bulgaria, Albania, and Yugoslavia. We even have very good economic and cultural relations with Bulgaria and Albania. We used to have very good economic relations with the Federal Republic of Yugoslavia, which we are trying to maintain under the embargo today. Everything will certainly be back to normal once the war has ended and the sanctions have been lifted.

[Vujovic] Recent signals coming from Serbia are not all that encouraging. President Slobodan Milosevic's policy is very pro-Greek. Many Serbian politicians consider Macedonia to be part of Serbia. Is that a real danger or are these just verbal threats?

[Gligorov] Yes, there are such threats. The independent state of Macedonia is a reality in spite of the Greek embargo. I am sure that a Balkans war would break out if Serbia or another neighbor tried to enforce their claims. And a Balkans war was always the beginning of a world conflict. That is why it is also in our neighbors' interests to renounce such historic burdens.

[Vujovic] Greek-Macedonian relations are the biggest problem today.

[Gligorov] There is no objective reason why there should be conflicts between Greeks and Macedonians. There are no territorial claims. Cooperation is in both countries' interest. None of the things going on between Greece and Macedonia are in the interests of our states. It is all just a matter of emotions, which unfortunately play a great role in the Balkans.

[Vujovic] There have been speculations lately about Macedonia wanting to change its flag and coat of arms. Is that right?

[Gligorov] That is just gossip. But we are determined to discuss all the questions with Greece and to find solutions that are acceptable to both sides. We will talk this over in the next few days.

[Vujovic] Many observers believe that the United States is using Macedonia as a base in that part of the Balkans. What is the role that the United States plays in Macedonia?

[Gligorov] There are no U.S. bases here; these are mere speculations. We asked the United Nations to send peacekeeping troops to Macedonia for preventive reasons. That was a good move. Even UN Secretary General Butrus Butrus-Ghali has called Macedonia a good example, a model that the United Nations should use in the future. Preventive measures always achieve much better results than war does. At the beginning there were only Scandinavian UN troops stationed in Macedonia, but, today, about half the contingent are U.S. troops, the other half are Scandinavians. That is it, the Americans are here only as part of the UN peacekeeping contingent, not as U.S. Army.

[Vujovic] The Macedonian Parliament has given the go-ahead for NATO membership. Why?

[Gligorov] It is not easy for a small country to survive today without being part of a collective security system. The United Nations is certainly the most important organization. But it does not have a military structure of its own, its possibilities are limited. NATO is the only collective security system that is still in existence. The Partnership for Peace offer is a real possibility for all those seeking protection today. Our parliament's resolution is to be seen as a statement of general orientation. Joining the Partnership for Peace would be a first step for us that could be realized as soon as we are a member of the CSCE.

[Vujovic] Is Greece the only country preventing Macedonia from joining the CSCE?

[Gligorov] Yes, it is.

[Vujovic] What is your view of Austria-Macedonia relations?

[Gligorov] We have a tradition of good relations and good economic cooperation with Austria. Austria supported our UN membership. But Austria is still cautious

in establishing full diplomatic relations; we are still waiting for an Austrian ambassador to come to Macedonia.

Crvenkovski, Karayalcin Hold News Conference

TA1805110294 Ankara TRT Television Network in Turkish 2110 GMT 17 May 94

[Announcer-read report over video]

[Text] Murat Karayalcin, state minister and deputy prime minister, who is holding contacts in Skopje, the capital of The Former Yugoslav Republic of Macedonia [FYROM], has held a joint news conference with FYROM Prime Minister Branko Crvenkovski.

Speaking at the news conference, Karayalcin said that the relations between the socialists and the social democrats in the Balkan countries are very important, adding that these relations will, at the same time, contribute to regional peace. Pointing to the importance of historic ties of friendship with Macedonia, Karayalcin said that there are many Macedonians in Turkey and that they are engaged in successful work. Noting that during his contacts in the FYROM developments in the Balkan region and existing areas of cooperation were discussed, Karayalcin added that Turkey will send corn to the FYROM. He recalled that a $25,000 [as heard] loan agreement through Eximbank was signed between the two countries, adding that this loan will be extended in September or October.

Crvenkovski, also speaking at the news conference, gave details on his meetings with Karayalcin. He stressed that an agreement has been reached on the continuation of the existing relations. Crvenkovski added that his country received a lot of support from Turkey during its difficult periods.

Karayalcin attended a dinner in his honor hosted by Crvenkovski this evening. He also visited the Turkish Embassy in Skopje. He will return to Turkey tomorrow.

Cars Destroyed, Damaged by Bomb in Kumanovo

94P20764A Skopje FLAKA E VELLAZERIMIT in Albanian 29 Apr 94 p 5

[Report on a communique from the Ministry of Interior of The Former Yugoslav Republic of Macedonia: "The Explosion Was Caused by an M-75 Hand Grenade"]

[Text] On 26 April 1994, at approximately 0315, an explosion was caused by explosive material placed in an Opel car belonging to Boze Neshkovski, which was parked in front of a building on Oktomvrinska Revolucija Street in Kumanovo. This caused a fire which spread to a Reno-4 GTL and several other cars parked in the same area, the Interior Ministry report says.

According to the ministry's statement, after visits to the site by the examining magistrate of the Kumanovo communal court, the public prosecutor, and a team of experts from the Macedonian Interior Ministry and the director of internal affairs in Kumanovo, it was determined that the explosion was the result of the activization of explosive material and that it was a matter of a defensive-offensive M-75 hand grenade, known as a "Kashikara."

The report goes on to say that two cars were completely destroyed by the explosion while eight others were damaged. The material damage amounted to more than 250 million dinars.

The Ministry of Interior is taking intensive and comprehensive measures to discover the perpetrators and to shed light on this case, the communique concludes.

Federal

Bank Governor: Dinar To Trade 'Worldwide'

AU1705195494 Belgrade RTB Television Network in Serbo-Croatian 1730 GMT 17 May 94

[Interview with Dragoslav Avramovic, governor of the Yugoslav National Bank, by Dusko Petrovic, following reports that the FRY dinar has been listed on the foreign currency exchange list in USA TODAY; place and date not given—recorded]

[Text] [Avramovic] That is great. Thank you for finding that report. It will help here for the people to realize that someone actually trusts us with something, after all the doubting Thomases we have here. Their mistrust is unfounded. But you see, there are other people who can see it from a distance and who can see that everything is all right. The minute I got here a magazine from Israel telephoned me asking for an explanation of all this, citing the article from THE ECONOMIST, you see.

[Petrovic] Can we expect an Israeli economic or financial magazine to publish soon an exchange list that will have our dinar on it?

[Avramovic] I am certain that this will go further. The next paper to carry it will be THE HERALD TRIBUNE.

[Petrovic] Can you please comment on the fact that this [USA TODAY] exchange list literally carries our exchange rate concerning the dollar, that is, the German mark?

[Avramovic] Yes, yes. Exactly. They have put here foreign currency [two words in English], it says 1.71 per dollar, which is our official exchange rate. The dollar has weakened against the German mark, so this is exactly right, according to parity.

[Petrovic] What does this mean in practical, concrete terms?

[Avramovic] In practice it means that we will most likely appear—at this price, or very close to this price—in exchange offices worldwide. This practically means that when you travel to Switzerland and so on, you will be able to go to the Union de Banque Suisse and sell your dinars there, and not at some scandalous price either. First it will appear, then there will be some margin, and then the margin will drop—if everything continues to go well here. It also works the other way around. You will buy dinars there. They will become a thing to buy and sell in the world. That will solve the problem of the internal convertibility—and I do not know who invented that—that is stupid, you see. It is either convertible or not, it either has value or not. If it has value, then it has value both here and in Milan. If it has no value, then it has no value either here or in Milan.

Then soon, it will inevitably appear in Vienna, in Zurich, then it will appear in New York.

Progress of Economic Stabilization Program

LD1705221394 Belgrade TANJUG in English 2148 GMT 17 May 94

[Text] Belgrade, May 17 (TANJUG)—The implementation of the programme of economic stabilization in the Federal Republic of Yugoslavia proceeds well, which is indicated by an industrial production rise, reasonably good supply on the market and complete stability of the national currency, the dinar.

This was concluded at Monday's meeting of Yugoslav Prime Minister Radoje Kontic and the prime ministers of the republics of Serbia And montenegro Mirko Mjrjanovic and Milo Djukanovic respectively and Governor of the National Bank of Yugoslavia Dragoslav Avramovic, the Federal Ministry of Information said. Industrial output in Yugoslavia has been on a steady rise since the beginning of the year and in April it was 3.4 percent higher than in March. The Yugoslav currency was on May 13 included in the foreign exchange rates quotation of the daily U.S.A. TODAY among some 30 strongest currencies in the world, Avramovic told TANJUG on Monday.

In the period between January 24 and May 12, the National Bank of Yugoslavia exchanged and bought cash to the value of around 509 million marks and bought around 13-million-dinars worth of gold, it was heard at the meeting. The National Bank has sold over the period a part of its foreign currency reserves to firms and individual persons so that the reserves have been enlarged by a total of around 312 marks [as received].

Budget proceeds are also on the rise so that in April the National Bank granted credits with foreign currency coverage to the value of some 35 million dinars for covering budget deficits, it was heard at the federal government session. Under the stabilization programme, the budget deficit should be completely eliminated by July 24.

Minister Discusses Rights of Ethnic Albanians

LD1705165194 Belgrade TANJUG in English 1549 GMT 17 May 94

[Text] Belgrade, May 17 (TANJUG)—Yugoslav Human Rights and Minority Minister Margit Savovic has stated that as individuals, members of the ethnic Albanian community in Yugoslavia enjoy all rights guaranteed to all the other citizens. Savovic told a press conference on Tuesday she had written a letter to that effect to U.N. Secretary General Butrus Butrus-Ghali to refute allegations made in an appeal by 'Albanian intellectuals'.

The appeal, dated May 6, in which 'Albanian intellectuals' accuse Yugoslav authorities of flagrant human rights violations in the Serbian province of Kosovo-Metohija, only testifies to the intention of some ethnic Albanian leaders to put an equation mark between the status of the ethnic Albanian minority and that of a

constituent nation, and to alter the existing state borders, said Savovic in her letter to Butrus-Ghali.

A strong separatist movement has been active for decades in Kosovo-Metohija. Its leaders illegally proclaimed the province a republic in an attempt to take it away from Serbia and its parent country Yugoslavia and subsequently annex it to neighbouring Albania.

Savovic said there was no need to engage international organizations and bodies to monitor the implementation of human rights in Yugoslavia. She also said she had invited experts of the U.N. Committee for the Protection of Children's Rights to visit Yugoslavia and gain a first-hand knowledge about the difficult situation in which innocent children are suffering because of anti-Yugoslav sanctions.

In late May of 1992, the U.N. Security Council imposed tough sanctions against Yugoslavia over its alleged involvement in civil war in neighbouring Bosnia-Herzegovina.

In her letter to the U.N. committee, Savovic proposed that the experts check on the spot whether the problems the Yugoslav government would list in a report scheduled for release in June were true. Savovic argued that U.N. special human rights rapporteur Tadeusz Mazowiecki did not present a true picture about the rights of children in Yugoslavia because he had covered the entire territory of the former Yugoslavia and drew a parallel between children in Yugoslavia and those in war-torn areas. 'We cannot accept such an approach, because the rights of children in Yugoslavia are threatened precisely because of sanctions by which the United Nations violate its own convention on children's rights.'

The sanctions have a devastating effect on the health and development of Yugoslavia's 3.2 million children and more than 193,000 refugee children.

The infant mortality rate has increased by 10 percent since the sanctions were introduced. The hemoglobin count in some children has been seriously affected because of a poor diet, with the number of children with hemoglobin defficiency increasing to 19.5 percent from the 8.3 percent before the sanctions.

Serbia

Owen, Stoltenberg, Milosevic Discuss Bosnia

AU1705143094 Belgrade Radio Beograd Network in Serbo-Croatian 1300 GMT 17 May 94

[Report by Slobodan Jankovic]

[Text] The talks between Owen, Stoltenberg, and Serbian President Slobodan Milosevic went on until about 1530, and then the two cochairmen, David Owen and Thorvald Stoltenberg, gave a statement on the talks to the reporters. Let us hear a part of Lord Owen's statement: [Owen in English] [words indistinct] had a very good conversation with President Milosevic. We focused on the [fades into Jankovic's voice] You have just heard Lord Owen, who said that they had good talks with President Milosevic, and that they focused on the problem of Gorazde, where there have been violations recently. They talked about that a lot. Lord Owen told the reporters that he would try and get in touch over the next 24 hours with Yasushi Akashi and the two warring sides in order to reach a cease-fire around Gorazde. This will be one small step toward achieving a total cease-fire in the entire Bosnia-Herzegovina.

He also said that the contact group would meet in Washington at the end of the week, the well-known contact group, which will continue to consider the peace plan for Bosnia-Herzegovina. The two cochairmen have just left Belgrade for Zvornik, where they are to meet the leadership of the Serb republic and have concrete talks. According to Lord Owen, he discussed generalities with President Milosevic concerning the establishment of peace in Bosnia-Herzegovina and the sanctions, and he said that they would be in a package. He will discuss concrete details with the leadership of the republic of Srpska.

Milosevic Issues Statement

LD1705160794 Belgrade TANJUG Domestic Service in Serbo-Croatian 1424 GMT 17 May 94

[Text] Belgrade, 17 May (TANJUG)—In his talks today with David Owen and Thorvald Stoltenberg, cochairmen of the conference on the former Yugoslavia, Serbian President Slobodan Milosevic said peace was in the interest of all people and all nations in the Yugoslav area.

According to a statement issued by the Serbian president's office, Milosevic stressed that Serbia wholeheartedly supports the agreement on ending all hostilities in the former Yugoslav republic of Bosnia-Herzegovina. The question of a political solution and territorial demarcation should, according to Milosevic, be discussed with representatives of the Serb people from Bosnia, who are directly concerned, in exactly the same way as are the Muslims and Croats in this former Yugoslav republic.

Since all elements of the agreement on an overall end to hostilities in the former Bosnia-Herzegovina were discussed with UN and UN Protection Forces [UNPROFOR] delegations in Belgrade on 22 April, Milosevic believes that all obstacles and problems in reaching [as received] an agreement on ending the hostilities can only have been caused by the so-called Bosnia-Herzegovina Army. He believes that the international community is again facing a challenge—either to behave in an impartial way or to apply a policy of double standards to the parties in the conflict.

Yugoslav Foreign Minister Vladislav Jovanovic attended the talks.

Owen Praises Talks

LD1705170894 Belgrade TANJUG Domestic Service in Serbo-Croatian 1429 GMT 17 May 94

[Text] Belgrade, 17 May (TANJUG)—Serbian President Slobodan Milosevic today received David Owen and Thorvald Stoltenberg, cochairmen of the conference on the former Yugoslavia, immediately on their arrival in Belgrade. As expected, the talks focused on the recent ministerial meeting (Russia, United States, EU) in Geneva and the agreement on ending hostilities in the whole of the former Bosnia-Herzegovina. This was confirmed by David Owen, who gave a brief statement after the talks with Slobodan Milosevic, which lasted almost three hours.

David Owen, who was in an unusually good mood, which is not completely irrelevant in such situations, first described the talks with Slobodan Milosevic as "very good."

"The talks focused on ending the hostilities in the whole of Bosnia," Lord Owen said, adding this was "the highest priority issue." According to Owen, Gorazde is currently the biggest problem, because, as he said, the agreement was still being violated there. "We hope these problems will be eliminated within the next 24 hours and that the belligerent sides will attend talks with the UN secretary general's special envoy, Yasushi Akashi, on ending hostilities, to which they had almost agreed.

The two cochairmen will discuss these and other problems this afternoon with president of the republic of Srpska Radovan Karadzic. Lord Owen said he would "probably" hold talks with Karadzic, but did not specify where. It is unofficially reported that they are to meet in Zvornik. Owen said he would discuss the proposed 51:49 percent territorial division and the maps with Karadzic.

The issue of sanctions was also discussed in the talks with Slobodan Milosevic. Lord Owen and Thorvald Stoltenberg reiterated the position contained in the Geneva communique that "sanctions will be eased after the withdrawal of the Bosnian Serb forces from the agreed positions."

"There is a very clear link between the agreement on ending the hostilities, the withdrawal of troops, and the easing and lifting of the sanctions," Lord Owen said. Asked about his opinion of the controversial decision by the U.S. Senate regarding the lifting of the arms embargo against the Bosnian Muslims, Lord Owen said the decision was "contradictory in some way."

"It remains to be seen whether this proposal will appear either before the House of Representatives or the Senate itself. I believe that this will probably not happen," he added.

After the talks with Karadzic this afternoon, the cochairmen of the conference on the former Yugoslavia are returning to Belgrade. According to Owen they are to travel to Zagreb tomorrow, where they will meet Croatian President Franjo Tudjman.

Prime Minister Marjanovic: Sanctions 'Useless'

AU1805101494 Berlin NEUES DEUTSCHLAND in German 17 May 94 p 7

[Interview with Serbian Prime Minister Mirko Marjanovic by Marko Winter in Belgrade; date not given: "Serbia Hopes for Stabilization Despite Sanctions"]

[Text] Serbia now has the fifth government since the first multiparty elections in 1990. Mirko Marjanovic, who has been prime minister since March, was a well-known business manager before. He took office in a complicated political and—notably—economic situation. The program of stabilization, which has been implemented since the end of January 1994, has, however, already yielded the first positive results. Marko Winter talked to the 56-year-old government head in Belgrade.

[Winter] You were trying to set up a government of national unity, but the majority of the opposition did not participate.

[Marjanovic] My main target was a government that would implement the program of financial reform and economic recovery of the country as successfully as possible, for that is in the interest of all citizens, regardless of their political orientation. This explains my desire to get people from all the parties represented in parliament into the government. At the same time, I also insisted in personalities that were not linked to any party, but have expert knowledge, and are clearly committed to the program of the modern market economy. The deputy prime minister and other ministers are, therefore, not members of the Socialist Party of Serbia [SPS].

It was a mistake for the most important parties of the opposition not to have accepted the offer. Particularly since the majority of the population supports the program.

[Winter] What are the consequences of the sanctions against Yugoslavia in your country so far?

[Marjanovic] The direct economic damage currently stands at $20-30 billion. Almost 1 million men and women of the total work force of 2.2 million are without work. Capacity utilization in the industry only stands at 30-40 percent. The gross per-capita national product has been halved within a period of two years. We have lost many markets in the world and on the territory of the former Yugoslavia. The standard of living, particularly of low- income earners and pensioners, has fallen dramatically. Considerable disturbances have been created in the spheres of education and social insurance. We had to spend a lot of money on taking care of more than 600,000 refugees.

[Winter] And the political effects?

[Marjanovic] Despite the severe economic and social consequences, the sanctions have not been able to destabilize the country politically. In principle, the great majority of citizens sticks to its support for that part of the Serbian people that now live outside the borders of the FRY. Since the beginning of the "Yugoslav crisis" we have struggled for a fair and peaceful solution that protects the interests of the Serbs in the same way as it protects that of the Croats and Muslims. The sanctions have become useless, anyway, because we have fulfilled all UN demands. In Serbia and Yugoslavia we are creating a democratic society and a modern market economy, which is why we have the right to be a member of the international community with equal rights.

[Winter] What does your program of stabilization focus on?

[Marjanovic] Our main objective is to overcome hyperinflation and restore trust in the dinar. In addition, stable conditions should be created for an increase in production and for more jobs. In the first three months we managed to put a halt to the increase in prices. Our foreign currency reserves are sufficient to guarantee the convertibility of the dinar. The state budget is again fed by real revenues, and there are first signs for a recovery of production. These are encouraging results and great changes compared to 1993.

[Winter] What is most important for you now?

[Marjanovic] Well, now it is most important to maintain discipline in the state budget and to reduce last year's deficit radically. The austere financial policy must continue to guarantee the stability of the dinar. Third, we will practice active social policy to help those that are temporarily without work as a result of the sanctions and the transition to the market economy. I am primarily thinking of programs of reeducation and support for a rapid development of small- and medium-sized enterprises. I am an optimist in this connection, and expect that we will conclude the year 1994 under considerably more stable conditions, with economic growth, and a higher standard of living.

Zastava Director Explains Production Problems

AU1705205694 Belgrade BORBA in Serbo-Croatian 5 May 94 p 11

[Report by Z. Radovanovic: "To Return What Has Unfairly Been Taken Away"]

[Text] In addition to continuous internal conflicts and standstills caused by workers' stoppages and demands for the resignation of the management, the oldest Serbian factory—Zastava Special Purpose Production—has been burdened for a long time by irregular conditions of production at various levels, as well as by uncertainty regarding the further manufacture of arms for the needs of a reduced Yugoslav Army.

Last year Zastava Special Purpose Production factory, that makes up a quarter of the Yugoslav arms production in terms of number of employees and existing capacities, was one of few Yugoslav factories that had been working regularly and the business had been running rather successfully, despite all subjective and objective circumstances and difficulties. Hence the rightful demands to the government that it publicly and clearly states the prospects of further development of the special purpose production, as well as the future of the factory itself.

"This year almost no capacities of the special purpose production have been operative, which is not only because they are outdated, but also because the budget does not allocate enough funds for this kind of production. I do not think it would be good to allow this system to die, because in that case almost 1,300 workers would be out of work," Vukasin Filipovic, director general of the factory, recently warned Nikola Sainovic, deputy prime minister of the Federal Government, and a group of republican officials.

Director Filipovic underlined that a vital interest to the arms manufacturers in Kragujevac is to take over several production lines from the arms factory in Travnik, Bosnia, such as the production of artillery, howitzers, tank ammunition, and so forth. This would be also necessary because nowhere in the FRY, except partly in Kragujevac, are there capacities developed for such a kind of production, while their development would demand new investment.

The demands by the arms manufacturers from Kragujevac for the takeover of a considerable part of the Bosnian program of special purpose production also reveal a certain portion of nostalgia for the prestigious century-and-a-half tradition of the local Military-Technological Institute, which became famous throughout the world for the Kokinka rifles and other infantry and artillery weapons that were manufactured here. For that reason the manufacturers particularly stress that the production of artillery, howitzers, and other weapons was moved from Kragujevac to Travnik immediately after World War II, so it would be fair to return to them what was unjustly and unfairly taken away from them.

"There are some pressures that the production line from Travnik should be relocated to the Lola factory in Zeleznik. Lola, however, does not have any tradition, while it is not ready either in terms of workforce, or in any other way, to take over that sort of production," Filipovic says.

In addition, it is also demanded from the government to force the payment of debts upon Cuba, Ethiopia, Angola, and some other countries to which Zastava exported goods worth $71 million. "The Yugoslav Government made such business arrangements, so it is obliged to make sure that the goods are eventually paid for," the arms manufacturers from Kragujevac demand.

Kosovo

Poll: 78 Percent See Province as 'Independent'

AU1705201294 Pristina KOSOVA DAILY REPORT Nr. 357 in English 17 May 94

[Unattributed report: "Seventy-Eight Percent See Kosova Only as an Independent State"—issued by the Democratic League of Kosova]

[Text] According to the results of a polling organized by Prishtina-based Albanian weekly KOHA, out of 208 questioned Prishtina citizens, 78 percent see Kosova only as an independent state.

In response to the question of the possibility in reaching an eventual agreement for Kosova to remain within a possible federation or confederation, 69.2 percent of the questioned do not see such a possibility in the future, only 8.6 percent think that Kosova could be an equal part of any future Yugoslav federation or confederation, whereas 8.1 percent think that Kosova could never be an equal part in any federation of that kind.

In answer to the question about the possibility of the division of Kosova, 68 percent of the participants think that Kosova can only be divided by the use of force, 21.1 percent think that the division could be done through a dialogue, while 11 percent could not give an answer to the question.

SRS Member Speculates on Milosevic Visit

AU1805094094 Belgrade NEDELJNA BORBA in Serbo-Croatian 14-15 May 94 p 9

[Report by R. Barjaktarevic: "A Dialogue Only at a Round Table"]

[Excerpts] Dr. Ranko Babic, federal deputy in the Chamber of Citizens, has resigned from his post of president of the Serbian Radical Party [SRS] County Committee for Kosovo. He told BORBA that there are indications that Serbian President Slobodan Milosevic will soon visit Kosmet [Kosovo and Metohija]. Why is Dr. Ranko Babic resigning from his function of party head for Kosovo?

I have resigned for several reasons. They primarily have to do with considerable professional obligations at the university and in research work. Moreover, there are private reasons involved. There is also disagreement with certain moves within the party, but I do not wish to discuss this in detail, Ranko Babic said curtly. [passage omitted]

As a federal deputy, Ranko Babic was ready to talk to BORBA in greater detail about indications of "preparations for Milosevic's visit to Kosmet." This was prompted by President Milosevic's statement in front of the minister of state at the British Foreign Office Douglas Hogg in connection with "giving full political and cultural autonomy to the Albanians," and "We shall have no problems with that."

If we are to believe the diplomatic dignity of the British minister of state and our interpretations of Mr. Milosevic's answer, strengthened by the lack of any denial from his office, this statement could mean President Milosevic's full agreement with Douglas Hogg's approach that a maximal political and cultural local autonomy should be created in Kosmet, similar that in the 1974 Constitution. This would mean that Milosevic was denying his own position and closing the circle, but from below with his well-known statement in Kosovo Polje "no one must beat these people." [sentence as published] I wish to believe that the statement "we shall have no problems with that" is the result of a misunderstanding or a breakdown in communications. Otherwise, President Milosevic is attempting a fatal somersault that would be catastrophic for him. In connection to this, we may mention his penchant for inconsistent political acrobatics.

On the other hand, however, increased awareness—even significantly increased awareness—can be detected in the visit of representatives of the Yugoslav Army and the Federal Defense Ministry, and in the related demonstration maneuvers of the army and police units in Kosovo. Even the elite 63d Airborne Brigade from Nis was brought in and executed a spectacular demonstration maneuver. I believe that this is intended to show the authorities' great interest in the region. There are even indications that President Milosevic is preparing to visit Kosovo and Metohija in the coming period. Looking at this in the context of President Milosevic's earlier statement, we would be very disappointed in him if it turned out that the purpose of demonstrating such great military and policy "interest and allegiance" in and to Kosmet is designed simply to temporarily calm the resident Serbian people and dissuade them from moving out of Kosmet, while somewhere hidden from view, arrangements are being made that would be disastrous for us, says Babic.

Are not all these preparations for initiating a dialogue with the Albanians?

I would consider it quite abnormal that, in the context of all this, Milosevic's arrival in Kosmet would mean the promotion or the initiation of a process of dialogue with representatives of the ethnic Albanian political organizations, but one that would ultimately lead to an unacceptably oversized autonomy.

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